



California State Treasurer Fiona Ma, CPA

# Press Release

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## Treasurer Ma Announces Sales Tax Exclusions for Manufacturers in Chowchilla and Fremont

**Sacramento** – State Treasurer Fiona Ma announced the approval of \$8.6 million in sales tax exclusions (STE) to three companies, a lithium battery manufacturer in Fremont and two companies that operate in Chowchilla, an insulation maker and a producer of renewable natural gas from dairies. The STE awards were approved last week by the California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA), chaired by Treasurer Ma.

The projects are expected to create about \$9.2 million in net fiscal and economic benefits, support a total of 317 jobs and create 13 jobs. The economic benefits include generating additional tax revenues and the environmental benefits include reducing air pollution, and the use of energy, water and other natural resources.

With these awards, companies can buy the manufacturing equipment they need to launch, upgrade or expand their operations without paying sales tax or use tax on that equipment. To receive this tax benefit, each project has to demonstrate that the anticipated fiscal and environmental benefits are greater than the foregone sales tax.

“I’m delighted that these innovative companies can take advantage of an effective economic development program that supports and creates California jobs and fights climate change,” said Treasurer Ma. “In addition, two of these companies operate in the San Joaquin Valley, where jobs are especially needed.”

Below are the three companies that received a sales tax benefit:

**Enovix Corporation** received an estimated \$4.2 million in sales tax exclusions to use when it purchases up to \$49 million of equipment to expand and upgrade its manufacturing facility for mass production of lithium batteries. According to the company, the batteries have more density and a longer life span than the industry standard.

The project will support 135 production jobs, 10 of which are attributable to the marginal increase in job creation due to the STE award; and support 34 construction jobs.

More information: <https://www.treasurer.ca.gov/caeatfa/meeting/2021/20210518/staff/4.B.4.pdf>

**RNG Moovers, LLC** was awarded a sales tax exclusion of \$2.5 million to buy up to \$29 million of equipment to build new dairy digesters at four dairies located in the cities of Chowchilla and Madera in Madera County and the town of Pixley in Tulare County to produce renewable natural gas. The natural gas will be piped to the California Energy Exchange, then sent to the Pacific, Gas & Electric pipeline where it will be sold into the state's renewable fuel vehicle market.

The project will support five production jobs and 55 construction jobs.

More information: <https://www.treasurer.ca.gov/caeatfa/meeting/2021/20210518/staff/4.B.1.pdf>

**CertainTeed, LLC** was awarded \$1.89 million to purchase up to \$22.3 million of equipment to upgrade its insulation manufacturing facility in Chowchilla. The company will install a furnace and curing oven, an oxygen-generating plant, a stack, energy efficient scrubbers and equipment for programmable logic circuit technology.

The project will support 177 production jobs, three of which are attributable to the marginal increase in job creation due to the STE award, and 50 construction jobs.

More information: <https://www.treasurer.ca.gov/caeatfa/meeting/2021/20210518/staff/4.B.3.pdf>

CAEATFA was established to provide an alternative method of financing to reduce greenhouse gas emissions, encourage renewable energy, and create and retain jobs. The Sales and Use Tax Exclusion program was created by Senate Bill 71, sponsored by then State Senator Alex Padilla, which was approved by the Legislature in 2010.

Once approved, applicants have three years to purchase the approved equipment.  
<https://www.treasurer.ca.gov/caeatfa/ste/index.asp>

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*Fiona Ma is California's 34th State Treasurer. She was elected on November 6, 2018 with more votes (7,825,587) than any other candidate for treasurer in the state's history. She is the first woman of color and the first woman Certified Public Accountant (CPA) elected to the position. The State Treasurer's Office was created in the California Constitution in 1849. It provides financing for schools, roads, housing, recycling and waste management, hospitals, public facilities, and other crucial infrastructure projects that better the lives of residents. California is the world's fifth-largest economy and Treasurer Ma is the state's primary banker. Her office processes more than \$2 trillion in payments within a typical year. She provides transparency and oversight for the government's investment portfolio and accounts, as well as for the state's surplus funds. Treasurer Ma oversees an investment portfolio of about \$140.8 billion, \$35.5 billion of which are local government funds. She serves as agent for sale for all State bonds, and is trustee on outstanding debt of \$93 billion.*

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