



General Assembly

January Session, 2021

Raised Bill No. 6106

LCO No. 1846



Referred to Committee on PLANNING AND DEVELOPMENT

Introduced by:
(PD)

AN ACT CONCERNING THE PROPERTY TAX EXEMPTION FOR CERTAIN RENEWABLE ENERGY SOURCES AND NONRESIDENTIAL HYDROPOWER FACILITIES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subdivision (57) of section 12-81 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective October*
3 *1, 2021, and applicable to assessment years commencing on or after October 1,*
4 *2021*):

5 (57) (A) (i) Any Class I renewable energy source, as defined in section
6 16-1, or hydropower facility described in subdivision (21) of subsection
7 (a) of section 16-1, installed for the generation of electricity where such
8 electricity is intended for private residential use or on a farm, as defined
9 in subsection (q) of section 1-1, provided (I) such installation occurs on
10 or after October 1, 2007, [and further provided] (II) the estimated annual
11 production of such source or facility does not exceed the estimated
12 annual load for the location where such source or facility is located,
13 where such load and production are estimated as of the date of
14 installation of the source or facility as indicated in the written

15 application filed pursuant to subparagraph (E) of this subdivision, and
16 (III) such installation is for a single family dwelling, a multifamily
17 dwelling consisting of two to four units or a farm; [] (ii) any passive or
18 active solar water or space heating system; [] or (iii) any geothermal
19 energy resource. In the case of clause (i) of this subparagraph, the
20 utilization of or participation in any net metering or tariff policy or
21 program implemented by the state or ownership of such source or
22 facility by a party other than the owner of the real property upon which
23 such source or facility is installed shall not disqualify such source or
24 facility from exemption pursuant to this section. In the case of clause (ii)
25 or (iii) of this subparagraph, such exemption shall apply only to the
26 amount by which the assessed valuation of the real property equipped
27 with such system or resource exceeds the assessed valuation of such real
28 property equipped with the conventional portion of the system or
29 resource;

30 (B) For assessment years commencing on and after October 1, 2013,
31 any Class I renewable energy source, as defined in section 16-1,
32 hydropower facility described in subdivision (21) of subsection (a) of
33 section 16-1, or solar thermal or geothermal renewable energy source,
34 installed for generation or displacement of energy, provided (i) such
35 installation occurs on or after January 1, 2010, (ii) such installation is for
36 commercial or industrial purposes, (iii) the nameplate capacity of such
37 source or facility does not exceed the load for the location where such
38 generation or displacement is located, and (iv) such source or facility is
39 located in a distressed municipality, as defined in section 32-9p, with a
40 population between one hundred twenty-five thousand and one
41 hundred thirty-five thousand;

42 (C) For assessment years commencing on and after October 1, 2013,
43 any municipality may, upon approval by its legislative body or in any
44 town in which the legislative body is a town meeting, by the board of
45 selectmen, abate up to one hundred per cent of property tax for any
46 Class I renewable energy source, as defined in section 16-1, hydropower
47 facility described in subdivision (21) of subsection (a) of section 16-1, or
48 solar thermal or geothermal renewable energy source, installed for

49 generation or displacement of energy, provided (i) such installation
50 occurs between January 1, 2010, and December 31, 2013, (ii) such
51 installation is for commercial or industrial purposes, (iii) the nameplate
52 capacity of such source or facility does not exceed the load for the
53 location where such generation or displacement is located, and (iv) such
54 source or facility is not located in a municipality described in
55 subparagraph (B) of this subdivision;

56 (D) For assessment years commencing on and after October 1, 2014,
57 any (i) Class I renewable energy source, as defined in section 16-1, (ii)
58 hydropower facility described in subdivision (21) of subsection (a) of
59 section 16-1, or (iii) solar thermal or geothermal renewable energy
60 source, installed for generation or displacement of energy, provided (I)
61 such installation occurs on or after January 1, 2014, (II) is for [commercial
62 or industrial] nonresidential purposes, (III) the [nameplate capacity]
63 estimated annual production of such source or facility does not exceed
64 the estimated annual load for the location where such generation or
65 displacement is located or the aggregated load of the beneficial accounts
66 for any Class I renewable energy source participating in virtual net
67 metering pursuant to section 16-244u, where such load and production
68 are estimated as of the date of installation of the source or facility as
69 indicated in the written application filed pursuant to subparagraph (E)
70 of this subdivision, and (IV) in the case of clause (iii) of this
71 subparagraph, such exemption shall apply only to the amount by which
72 the assessed valuation of the real property equipped with such source
73 exceeds the assessed valuation of such real property equipped with the
74 conventional portion of the source;

75 (E) Any person claiming the exemption provided in this subdivision
76 for any assessment year shall, on or before the first day of November in
77 such assessment year, file with the assessor or board of assessors in the
78 town in which such hydropower facility, Class I renewable energy
79 source, solar thermal or geothermal renewable energy source or passive
80 or active solar water or space heating system or geothermal energy
81 resource is located, a written application claiming such exemption. Such
82 application shall be made on a form prepared for such purpose by the

83 Secretary of the Office of Policy and Management, and shall include, but
84 not be limited to, a statement of the estimated annual load and
85 production of a source or facility described in clause (i) of
86 subparagraphs (A) and (D) of this subdivision as of the date of the
87 installation of such source or facility. Said secretary shall make such
88 application available to the public on the Internet web site of the Office
89 of Policy and Management. Failure to file such application in the
90 manner and form as provided by [such assessor or board] the secretary
91 within the time limit prescribed shall constitute a waiver of the right to
92 such exemption for such assessment year. Such application shall not be
93 required for any assessment year following that for which the initial
94 application is filed, provided if such hydropower facility, Class I
95 renewable energy source, solar thermal or geothermal renewable
96 energy source or passive or active solar water or space heating system
97 or geothermal energy resource is altered in a manner which would
98 require a building permit, such alteration shall be deemed a waiver of
99 the right to such exemption until a new application, applicable with
100 respect to such altered source, is filed and the right to such exemption is
101 established as required initially. In the event that a person owns more
102 than one such source or facility in a municipality, such person may file
103 a single application identifying each source or facility;

104 (F) For assessment years commencing on and after October 1, 2015,
105 any municipality may, by vote of its legislative body or, in a
106 municipality where the legislative body is a town meeting, by vote of
107 the board of selectmen, abate up to one hundred per cent of the property
108 taxes due for any tax year, for not longer than the term of the power
109 purchase agreement, with respect to any Class I renewable energy
110 source, as defined in section 16-1, that is the subject of such power
111 purchase agreement approved by the Public Utilities Regulatory
112 Authority pursuant to section 16a-3f;

<p>This act shall take effect as follows and shall amend the following sections:</p>
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Section 1	<i>October 1, 2021, and applicable to assessment years commencing on or after October 1, 2021</i>	12-81(57)
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Statement of Purpose:

To revise the property tax exemption for certain renewable energy sources and hydropower facilities.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]