



General Assembly

Substitute Bill No. 7206

January Session, 2019



AN ACT EXPANDING THE PROPERTY TAX EXEMPTION FOR CERTAIN RENEWABLE ENERGY SOURCES AND 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2 repealed and the following is substituted in lieu thereof (*Effective*
3 *October 1, 2019, and applicable to assessment years commencing on or after*
4 *October 1, 2019*):

5 (57) (A) (i) Any Class I renewable energy source, as defined in
6 section 16-1, or hydropower facility described in subdivision (21) of
7 subsection (a) of section 16-1, installed for the generation of electricity
8 where such electricity is intended for private residential use or on a
9 farm, as defined in subsection (q) of section 1-1, provided (I) such
10 installation occurs on or after October 1, 2007, [and further provided]
11 (II) the estimated annual production of such source or facility does not
12 exceed the estimated annual load for the location where such source or
13 facility is located, where such load and production are estimated as of
14 the date of installation of the source or facility as indicated in the
15 written application filed pursuant to subparagraph (E) of this
16 subdivision, and (III) such installation is for a single family dwelling, a
17 multifamily dwelling consisting of two to four units or a farm; [] (ii)
18 any passive or active solar water or space heating system; [] or (iii) any

19 geothermal energy resource. In the case of subparagraph (A)(i) of this
20 subdivision, the utilization of or participation in any net metering or
21 tariff policy or program implemented by the state or ownership of
22 such source or facility by a party other than the owner of the real
23 property upon which such source or facility is installed shall not
24 disqualify such source or facility from exemption pursuant to this
25 section. In the case of clause (ii) or (iii) of this subparagraph, such
26 exemption shall apply only to the amount by which the assessed
27 valuation of the real property equipped with such system or resource
28 exceeds the assessed valuation of such real property equipped with the
29 conventional portion of the system or 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
36 for commercial or industrial purposes, (iii) the nameplate capacity of
37 such source or facility does not exceed the load for the location where
38 such generation or displacement is located, and (iv) such source or
39 facility is located in a distressed municipality, as defined in section 32-
40 9p, with a population between one hundred twenty-five thousand and
41 one 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,
47 hydropower facility described in subdivision (21) of subsection (a) of
48 section 16-1, or solar thermal or geothermal renewable energy source,
49 installed for generation or displacement of energy, provided (i) such
50 installation occurs between January 1, 2010, and December 31, 2013, (ii)
51 such installation is for commercial or industrial purposes, (iii) the

52 nameplate capacity of such source or facility does not exceed the load
53 for the location where such generation or displacement is located, and
54 (iv) such 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
62 [commercial or industrial] nonresidential purposes, (III) the
63 [nameplate capacity] estimated annual production of such source or
64 facility does not exceed the estimated annual load for the location
65 where such generation or displacement is located or the aggregated
66 load of the beneficial accounts for any Class I renewable energy source
67 participating in virtual net metering pursuant to section 16-244u,
68 where such load and production are estimated as of the date of
69 installation of the source or facility as indicated in the written
70 application filed pursuant to subparagraph (E) of this subdivision, and
71 (IV) in the case of clause (iii) of this subparagraph, such exemption
72 shall apply only to the amount by which the assessed valuation of the
73 real property equipped with such source exceeds the assessed
74 valuation of such real property equipped with the conventional
75 portion of the source;

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

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

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

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>October 1, 2019, and applicable to assessment years commencing on or after October 1, 2019</i>	12-81(57)
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PD *Joint Favorable Subst.*