



General Assembly

February Session, 2020

**Raised Bill No. 290**

LCO No. 1741



Referred to Committee on ENERGY AND TECHNOLOGY

Introduced by:  
(ET)

**AN ACT CONCERNING TAXATION OF CERTAIN SOLAR POWER 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 2020 supplement to  
2 the general statutes is repealed and the following is substituted in lieu  
3 thereof (*Effective from passage and applicable to assessment years commencing*  
4 *on and after October 1, 2020*):

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 for private  
8 residential use or on a farm, as defined in subsection (q) of section 1-1,  
9 provided such installation occurs on or after October 1, 2007, and further  
10 provided such installation is for a single family dwelling, a multifamily  
11 dwelling consisting of two to four units or a farm, (ii) any passive or  
12 active solar water or space heating system, or (iii) any geothermal  
13 energy resource. In the case of clause (ii) or (iii) of this subparagraph,  
14 such exemption shall apply only to the amount by which the assessed  
15 valuation of the real property equipped with such system or resource

16 exceeds the assessed valuation of such real property equipped with the  
17 conventional portion of the system or resource;

18 (B) For assessment years commencing on and after October 1, 2013,  
19 any Class I renewable energy source, as defined in section 16-1,  
20 hydropower facility described in subdivision (21) of subsection (a) of  
21 section 16-1, or solar thermal or geothermal renewable energy source,  
22 installed for generation or displacement of energy, provided (i) such  
23 installation occurs on or after January 1, 2010, (ii) such installation is for  
24 commercial or industrial purposes, (iii) the nameplate capacity of such  
25 source or facility does not exceed the load for the location where such  
26 generation or displacement is located, and (iv) such source or facility is  
27 located in a distressed municipality, as defined in section 32-9p, with a  
28 population between one hundred twenty-five thousand and one  
29 hundred thirty-five thousand;

30 (C) For assessment years commencing on and after October 1, 2013,  
31 any municipality may, upon approval by its legislative body or in any  
32 town in which the legislative body is a town meeting, by the board of  
33 selectmen, abate up to one hundred per cent of property tax for any  
34 Class I renewable energy source, as defined in section 16-1, hydropower  
35 facility described in subdivision (21) of subsection (a) of section 16-1, or  
36 solar thermal or geothermal renewable energy source, installed for  
37 generation or displacement of energy, provided (i) such installation  
38 occurs between January 1, 2010, and December 31, 2013, (ii) such  
39 installation is for commercial or industrial purposes, (iii) the nameplate  
40 capacity of such source or facility does not exceed the load for the  
41 location where such generation or displacement is located, and (iv) such  
42 source or facility is not located in a municipality described in  
43 subparagraph (B) of this subdivision;

44 (D) [For] Except as provided in subparagraph (E) of this subdivision,  
45 for assessment years commencing on and after October 1, 2014, any (i)  
46 Class I renewable energy source, as defined in section 16-1, (ii)  
47 hydropower facility described in subdivision (21) of subsection (a) of  
48 section 16-1, or (iii) solar thermal or geothermal renewable energy

49 source, installed for generation or displacement of energy, provided (I)  
50 such installation occurs on or after January 1, 2014, (II) is for commercial  
51 or industrial purposes, (III) the nameplate capacity of such source or  
52 facility does not exceed the load for the location where such generation  
53 or displacement is located or the aggregated load of the beneficial  
54 accounts for any Class I renewable energy source participating in virtual  
55 net metering pursuant to section 16-244u, and (IV) in the case of clause  
56 (iii) of this subparagraph, such exemption shall apply only to the  
57 amount by which the assessed valuation of the real property equipped  
58 with such source exceeds the assessed valuation of such real property  
59 equipped with the conventional portion of the source;

60 (E) For assessment years commencing on and after October 1, 2020,  
61 the exemption under subparagraph (D) of this subdivision shall not  
62 apply to any Class I renewable energy source, as defined in section 16-  
63 1, participating in virtual net metering pursuant to section 16-244u;

64 [(E)] (E) Any person claiming the exemption provided in this  
65 subdivision for any assessment year shall, on or before the first day of  
66 November in such assessment year, file with the assessor or board of  
67 assessors in the town in which such hydropower facility, Class I  
68 renewable energy source, solar thermal or geothermal renewable  
69 energy source or passive or active solar water or space heating system  
70 or geothermal energy resource is located, a written application claiming  
71 such exemption. Failure to file such application in the manner and form  
72 as provided by such assessor or board within the time limit prescribed  
73 shall constitute a waiver of the right to such exemption for such  
74 assessment year. Such application shall not be required for any  
75 assessment year following that for which the initial application is filed,  
76 provided if such hydropower facility, Class I renewable energy source,  
77 solar thermal or geothermal renewable energy source or passive or  
78 active solar water or space heating system or geothermal energy  
79 resource is altered in a manner which would require a building permit,  
80 such alteration shall be deemed a waiver of the right to such exemption  
81 until a new application, applicable with respect to such altered source,  
82 is filed and the right to such exemption is established as required

83 initially;

84 [(F)] (G) For assessment years commencing on and after October 1,  
85 2015, any municipality may, by vote of its legislative body or, in a  
86 municipality where the legislative body is a town meeting, by vote of  
87 the board of selectmen, abate up to one hundred per cent of the property  
88 taxes due for any tax year, for not longer than the term of the power  
89 purchase agreement, with respect to any Class I renewable energy  
90 source, as defined in section 16-1, that is the subject of such power  
91 purchase agreement approved by the Public Utilities Regulatory  
92 Authority pursuant to section 16a-3f;

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage and applicable to assessment years commencing on and after October 1, 2020</i>	12-81(57)

**Statement of Purpose:**

To eliminate a property tax exemption applicable to Class I renewable energy sources participating in virtual net metering.

*[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.]*