

HOUSE BILL No. 1208

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1-8-19.5.

Synopsis: Assessment of wind power devices. Requires a new owner of a wind power device (device) to report, when filing the owner's statement of value and description of property with the department of local government finance (department) in years after the first year of ownership, the valuation of the device at the same valuation amount entered in the public utility company's first annual report after the transfer of ownership, less adjustments for depreciation according to a schedule prescribed by the department. Urges the legislative council to assign to an appropriate interim study committee the task of studying utility scale wind and solar power taxation.

Effective: Upon passage; July 1, 2024.

Negele

January 9, 2024, read first time and referred to Committee on Utilities, Energy and Telecommunications.



Second Regular Session of the 123rd General Assembly (2024)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2023 Regular Session of the General Assembly.

HOUSE BILL No. 1208

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-1.1-8-19.5, AS ADDED BY P.L.144-2023,
2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2024]: Sec. 19.5. (a) This section applies to a public utility
4 company that:
5 (1) owns or operates one (1) or more wind power devices; and
6 (2) is filing the public utility company's first annual report as the
7 new owner of the wind power devices following a change in
8 ownership.
9 (b) This section does not apply to a public utility company that owns
10 or operates one (1) or more wind power devices and that has signed or
11 countersigned an economic development agreement, or another
12 financial agreement, that is entered into:
13 (1) with the county in which the public utility company's wind
14 power devices are located; and
15 (2) for the purpose of:
16 (A) repowering the wind power devices; or
17 (B) upgrading the technology used in the wind power devices;



- 1 before a sale or transfer of the wind power devices.
- 2 (c) As used in this section, "annual report" means the statement of
3 value and description of property described in section 19 of this
4 chapter.
- 5 (d) As used in this section, "change of ownership", with respect to
6 one (1) or more wind power devices owned by a public utility
7 company, means any:
- 8 (1) transaction or series of related transactions (whether as a
9 result of a tender offer, merger, consolidation, reorganization,
10 acquisition, sale or transfer of equity securities, proxy, power of
11 attorney, or otherwise) that results in, or occurs in connection
12 with, another public utility company acquiring beneficial
13 ownership, directly or indirectly, of a majority of the then issued
14 and outstanding voting securities or combined voting rights of the
15 public utility company; or
16 (2) sale, lease, exchange, conveyance, transfer, distribution, or
17 other disposition whether:
- 18 (A) for cash, securities, equity interests, or other consideration;
19 or
20 (B) made in connection with any liquidation, dissolution, or
21 winding up of the affairs of the public utility company;
22 of substantially all of the public utility company's wind power
23 devices to another public utility company.
- 24 (e) As used in this section, "wind power device" means a device,
25 including a windmill or a wind turbine, that is designed to use the
26 kinetic energy of moving air to provide mechanical energy or to
27 produce electricity.
- 28 (f) Notwithstanding any other law or rule adopted by the
29 department, a public utility company described in subsection (a) shall:
- 30 (1) value the wind power devices at the same valuation amount
31 that the previous owner valued the devices prior to the change in
32 ownership on the previous owner's last annual report;
33 (2) enter that valuation amount on the public utility company's
34 first annual report following the change in ownership; and
35 (3) notify the department in a timely manner of the change in
36 ownership;
- 37 if the valuation amount that the public utility company would otherwise
38 enter on the report, in accordance with this chapter and the rules
39 prescribed by the department, is lower than the valuation amount that
40 the previous owner valued the wind power devices before the change
41 in ownership on the previous owner's last annual report.
- 42 (g) For years subsequent to the first year after the change in



1 ownership, the public utility company shall ~~calculate value~~ and report
 2 the ~~valuation of the~~ wind power devices ~~on the annual report in~~
 3 ~~accordance with this chapter and the rules prescribed by the~~
 4 ~~department. However, in determining the just value of the property of~~
 5 ~~the public utility company in any year subsequent to the first year after~~
 6 ~~the change in ownership, the department shall not consider valuations~~
 7 ~~determined by another governmental agency, notwithstanding section~~
 8 ~~26(b)(5) of this chapter. at the same valuation amount entered on~~
 9 ~~the public utility company's first annual report under subsection~~
 10 ~~(f)(2), less adjustments for depreciation made according to a~~
 11 ~~schedule prescribed by the department.~~

12 (h) The department shall:

13 (1) make changes to the annual report form necessary to conform
 14 with the provisions of this section; **and**

15 (2) **create a depreciation schedule for purposes of determining**
 16 **valuation amounts under subsection (g).**

17 (i) The Indiana utility regulatory commission shall include a
 18 provision in an order issued under IC 8-1-2.5-5 to a public utility
 19 company that:

20 (1) owns or operates one (1) or more wind power devices; or

21 (2) plans to own or operate one (1) or more wind power devices;
 22 requiring the public utility company to notify the department of any
 23 change in ownership of the wind power devices.

24 (j) Before November 1, 2024, and before November 1, 2025, the
 25 department shall prepare, submit in an electronic format under
 26 IC 5-14-6, and present to the interim study committee on energy,
 27 utilities, and telecommunications established by IC 2-5-1.3-4(8) a
 28 report on the valuation of wind power devices and the progress of
 29 implementing this section.

30 SECTION 2. [EFFECTIVE UPON PASSAGE] **(a) The legislative**
 31 **council is urged to assign to the appropriate interim study**
 32 **committee established under IC 2-5 during the 2024 legislative**
 33 **interim the task of studying utility scale wind and solar power**
 34 **taxation.**

35 **(b) This SECTION expires December 31, 2024.**

36 SECTION 3. **An emergency is declared for this act.**

