

# SENATE BILL NO. 1060

## 100TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR HOUGH.

Read 1st time February 26, 2020, and ordered printed.

ADRIANE D. CROUSE, Secretary.

5440S.01I

### AN ACT

To amend chapter 137, RSMo, by adding thereto two new sections relating to the taxation of property associated with the production of energy.

*Be it enacted by the General Assembly of the State of Missouri, as follows:*

Section A. Chapter 137, RSMo, is amended by adding thereto two new sections, to be known as sections 137.123 and 137.124, to read as follows:

**137.123. For solar energy projects commencing construction on or after January 1, 2020, beginning January 1, 2021, for purposes of assessing all real or tangible personal property associated with a project that uses solar energy directly to generate electricity, the following depreciation tables shall be used to determine the true value in money of such property. The first year shown in the table shall be the year immediately following the year the solar energy system is capable of producing electricity. The percentages shown in the table shall reflect either:**

**(1) The percentage of the actual and documented original property cost to the taxpayer, as shall be provided by the taxpayer to the assessor; or**

**(2) If the original property cost to the taxpayer is not properly documented by the taxpayer, the percentage of the estimated cost of the property by the assessor shall be determined by using an appropriate method to determine value.**

	Year	Percentage
	1	40%
	2	40%
	3	37%
	4	37%
	5	35%

23 Any real or tangible personal property associated with a project that  
 24 uses solar energy directly to generate electricity shall continue in  
 25 subsequent years to have the depreciation percentage last listed in the  
 26 appropriate column in the table. Property associated with a solar  
 27 project, including, but not limited to, solar panels, racking, inverters,  
 28 wiring, transformers, meters, battery packs, wiring and substations,  
 29 and related equipment, shall be considered personal property. Real  
 30 property upon which the personal property is located, as well as any  
 31 buildings located on such property, shall be considered real property.

137.124. For solar energy projects under construction prior to  
 2 January 1, 2020, beginning January 1, 2021, for purposes of assessing  
 3 all real or tangible personal property associated with a project that  
 4 uses solar energy directly to generate electricity, the following  
 5 depreciation tables shall be used to determine the true value in money  
 6 of such property. The first year shown in the table shall be the year  
 7 immediately following the year the solar energy system is capable of  
 8 generating electricity. The percentages shown in the table shall reflect  
 9 either:

10 (1) The percentage of the actual and documented original  
 11 property cost to the taxpayer, as shall be provided by the taxpayer to  
 12 the assessor; or

13 (2) If the original property cost to the taxpayer is not properly  
 14 documented by the taxpayer, the percentage of the estimated cost of  
 15 the property by the assessor shall be determined by using an  
 16 appropriate method to determine value.

17	Year	Percentage
18	1	20%
19	2	18%
20	3	15%
21	4	10%
22	5	10%

23 Any real or tangible personal property associated with a project which  
 24 uses solar energy directly to generate electricity shall continue in  
 25 subsequent years to have the depreciation percentage last listed in the  
 26 appropriate column in the table. Property associated with a solar  
 27 project, including, but not limited to, solar panels, racking, inverters,  
 28 wiring, transformers, meters, battery packs, wiring and substations,

29 **and related equipment, shall be considered personal property. Real**  
30 **property upon which the personal property is located, as well as any**  
31 **buildings located on such property, shall be considered real property.**

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