



General Assembly

January Session, 2023

**Committee Bill No. 519**

LCO No. 5859



Referred to Committee on PLANNING AND DEVELOPMENT

Introduced by:  
(PD)

***AN ACT CONCERNING THE PROPERTY TAX EXEMPTION FOR SOLAR PROJECTS AND THE TAX CALCULATION OF SOLAR PROJECTS ON ONE PARCEL OF LAND.***

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2 repealed and the following is substituted in lieu thereof (*Effective October*  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, 2023, and applicable to assessment years commencing on or after October 1,*  
4 *2023*):

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, except for  
8 solar power installations with a nameplate capacity of not less than one-  
9 half megawatt or not greater than seven megawatts, where such  
10 electricity is intended for private residential use or on a farm, as defined  
11 in subsection (q) of section 1-1, provided (I) such installation occurs on  
12 or after October 1, 2007, (II) the estimated annual production of such  
13 source or facility does not exceed the estimated annual load for the  
14 location where such source or facility is located, where such load and  
15 production are estimated as of the date of installation of the source or

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

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

46 (C) For assessment years commencing on and after October 1, 2013,  
47 any municipality may, upon approval by its legislative body or in any  
48 town in which the legislative body is a town meeting, by the board of

49 selectmen, abate up to one hundred per cent of property tax for any  
50 Class I renewable energy source, as defined in section 16-1, hydropower  
51 facility described in subdivision (21) of subsection (a) of section 16-1, or  
52 solar thermal or geothermal renewable energy source, installed for  
53 generation or displacement of energy, provided (i) such installation  
54 occurs between January 1, 2010, and December 31, 2013, (ii) such  
55 installation is for commercial or industrial purposes, (iii) the nameplate  
56 capacity of such source or facility does not exceed the load for the  
57 location where such generation or displacement is located, and (iv) such  
58 source or facility is not located in a municipality described in  
59 subparagraph (B) of this subdivision;

60 (D) For assessment years commencing on and after October 1, 2014,  
61 any (i) Class I renewable energy source, as defined in section 16-1, (ii)  
62 hydropower facility described in subdivision (21) of subsection (a) of  
63 section 16-1, or (iii) solar thermal or geothermal renewable energy  
64 source, installed for generation or displacement of energy, provided (I)  
65 such installation occurs on or after January 1, 2014, (II) is for commercial  
66 or industrial purposes, (III) the nameplate capacity of such source or  
67 facility does not exceed the load for the location where such generation  
68 or displacement is located or the aggregated load of the beneficial  
69 accounts for any Class I renewable energy source participating in virtual  
70 net metering pursuant to section 16-244u, and (IV) in the case of clause  
71 (iii) of this subparagraph, such exemption shall apply only to the  
72 amount by which the assessed valuation of the real property equipped  
73 with such source exceeds the assessed valuation of such real property  
74 equipped with the 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, in consultation with  
84 the Connecticut Association of Assessing Officers and the Connecticut  
85 Green Bank established pursuant to section 16-245n, and shall include,  
86 but not be limited to, a statement of the estimated annual load and  
87 production of a source or facility described in clause (i) of subparagraph  
88 (A) of this subdivision as of the date of the installation of such source or  
89 facility. Said secretary shall make such application available to the  
90 public on the Internet web site of the Office of Policy and Management.  
91 Failure to file such application in the manner and form as provided by  
92 the secretary within the time limit prescribed shall constitute a waiver  
93 of the right to such exemption for such assessment year. Such  
94 application shall not be required for any assessment year following that  
95 for which the initial application is filed, provided if such hydropower  
96 facility, 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 deemed  
100 a waiver of the right to such exemption until a new application,  
101 applicable with respect to such altered source, is filed and the right to  
102 such exemption is established as required initially. In the event that a  
103 person owns more than one such source or facility in a municipality,  
104 such person may file a single application identifying each source or  
105 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 property  
110 taxes due for any tax year, for not longer than the term of the power  
111 purchase agreement, with respect to any Class I renewable energy  
112 source, as defined in section 16-1, that is the subject of such power  
113 purchase agreement approved by the Public Utilities Regulatory  
114 Authority pursuant to section 16a-3f;

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2023, and applicable to assessment years commencing on or after October 1, 2023</i>	12-81(57)

**Statement of Purpose:**

To remove the property tax exemption for solar projects between one-half megawatt and seven megawatts and to consider solar projects on one parcel of land to be one solar project for tax calculation purposes.

*[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.]*

Co-Sponsors: SEN. OSTEN, 19th Dist.

S.B. 519