



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2 repealed and the following is substituted in lieu thereof (*Effective*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

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

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

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

47 (C) For assessment years commencing on and after October 1, 2013,
48 any municipality may, upon approval by its legislative body or in any

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

61 (D) For assessment years commencing on and after October 1, 2014,
62 any (i) Class I renewable energy source, as defined in section 16-1, (ii)
63 hydropower facility described in subdivision (21) of subsection (a) of
64 section 16-1, or (iii) solar thermal or geothermal renewable energy
65 source, installed for generation or displacement of energy, provided (I)
66 such installation occurs on or after January 1, 2014, (II) is for
67 commercial or industrial purposes, (III) the nameplate capacity of such
68 source or facility does not exceed the load for the location where such
69 generation or displacement is located or the aggregated load of the
70 beneficial accounts for any Class I renewable energy source
71 participating in virtual net metering pursuant to section 16-244u, and
72 (IV) in the case of clause (iii) of this subparagraph, such exemption
73 shall apply only to the amount by which the assessed valuation of the
74 real property equipped with such source exceeds the assessed
75 valuation of such real property equipped with the conventional
76 portion of the source;

77 (E) Any person claiming the exemption provided in this subdivision
78 for any assessment year shall, on or before the first day of November
79 in such assessment year, file with the assessor or board of assessors in
80 the town in which such hydropower facility, Class I renewable energy
81 source, solar thermal or geothermal renewable energy source or

82 passive or active solar water or space heating system or geothermal
83 energy resource is located, a written application claiming such
84 exemption. Such application shall be made on a form prepared for
85 such purpose by the Secretary of the Office of Policy and Management,
86 in consultation with the Connecticut Association of Assessing Officers
87 and the Connecticut Green Bank established pursuant to section 16-
88 245n, and shall include, but not be limited to, a statement of the
89 estimated annual load and production of a source or facility described
90 in clause (i) of subparagraph (A) of this subdivision as of the date of
91 the installation of such source or facility. Said secretary shall make
92 such application available to the public on the Internet web site of the
93 Office of Policy and Management. Failure to file such application in the
94 manner and form as provided by the secretary within the time limit
95 prescribed shall constitute a waiver of the right to such exemption for
96 such assessment year. Such application shall not be required for any
97 assessment year following that for which the initial application is filed,
98 provided if such hydropower facility, Class I renewable energy source,
99 solar thermal or geothermal renewable energy source or passive or
100 active solar water or space heating system or geothermal energy
101 resource is altered in a manner which would require a building permit,
102 such alteration shall be deemed a waiver of the right to such
103 exemption until a new application, applicable with respect to such
104 altered source, is filed and the right to such exemption is established as
105 required initially. In the event that a person owns more than one such
106 source or facility in a municipality, such person may file a single
107 application identifying each source or facility;

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

116 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, 2023, and applicable to assessment years commencing on or after October 1, 2023</i>	12-81(57)

PD *Joint Favorable*