

House Bill 2477

Sponsored by Representative POWER (at the request of House Energy and Environment) (Pre-session filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Makes program for payment of fee in lieu of property taxes imposed on property constituting solar project permanent. Alters rate of fee.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to the taxation of solar projects; amending section 1, chapter 571, Oregon Laws 2015; re-
3 pealing section 3, chapter 571, Oregon Laws 2015; and prescribing an effective date.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** Section 1, chapter 571, Oregon Laws 2015, as amended by section 1, chapter 628,
6 Oregon Laws 2019, is amended to read:

7 **Sec. 1.** (1)(a) The governing body of a county and the owner or person in possession or control
8 of a solar project located within the county and outside the boundaries of any incorporated city may
9 enter into an agreement that exempts from property taxes the property constituting the solar project
10 and allows the payment of a fee in lieu of property taxes imposed on the property. An agreement
11 may not be entered into for a term longer than 20 consecutive years.

12 (b) If any portion of a solar project is located within the boundaries of an incorporated city, the
13 governing body of the county shall consult with the governing body of the city before entering into
14 an agreement under paragraph (a) of this subsection. An agreement entered into under paragraph
15 (a) of this subsection with respect to a solar project located within the boundaries of the incorpo-
16 rated city is not effective unless the governing body of the city is a party to the agreement.

17 (2) The fee in lieu of property taxes shall be computed at the rate of [\$7,000] \$_____ per
18 megawatt of nameplate capacity of the solar project for each property tax year. Megawatt of
19 nameplate capacity shall be carried to the third decimal place.

20 (3)(a) On or before December 31 preceding the first property tax year to which an agreement
21 entered into under this section relates, the owner or person in possession or control of the solar
22 project shall file with the assessor of the county in which the solar project is located and the De-
23 partment of Revenue a copy of the agreement and the nameplate capacity of the solar project.

24 (b) For each subsequent property tax year to which the agreement relates, the owner or person
25 in possession or control of the solar project shall include with the statement required under [ORS
26 308.520 *renumbered 308.524*] **ORS 308.524** the nameplate capacity of the solar project.

27 (c) A filing made under paragraph (a) of this subsection after December 31 must be accompanied
28 by a late fee of \$200. A filing may not be made after March 1 preceding the property tax year to
29 which the filing relates.

30 (4)(a) For each property tax year to which an agreement relates, the department, when certify-
31 ing and transmitting the assessment roll to the county assessors under ORS 308.505 to [308.681 *series*

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 *became 308.505 to 308.674*] **308.674**, shall provide the nameplate capacity of each solar project paying
 2 the fee in lieu of property taxes to each assessor of a county in which a solar project is located.

3 (b) As required under ORS 311.255, the county assessors shall extend upon the tax roll against
 4 all property constituting a solar project located in the respective counties all fees in lieu of property
 5 taxes for the property tax year. The fees shall be distributed pursuant to the percentage schedules
 6 prepared under ORS 311.390.

7 (5)(a) If the owner or person in possession or control of a solar project that has entered into
 8 an agreement under this section fails to pay the fee as required under this section, the property
 9 constituting the solar project is not exempt for the following property tax year and shall be assessed
 10 and taxed as other similar property is assessed and taxed.

11 (b) Notwithstanding paragraph (a) of this subsection, the property shall be exempt for the fol-
 12 lowing property tax year upon payment, within one year after the date of delinquency, of the de-
 13 linquent fee plus interest at the rate prescribed in ORS 311.505 (2). Delinquent fees and interest
 14 shall be collected in the manner provided for collection of delinquent property taxes on personal
 15 property.

16 (6)(a) If the owner or person in possession or control of the solar project fails to pay the fee in
 17 lieu of property taxes for more than one year during the term of an agreement entered into under
 18 this section, notwithstanding the agreement, the property constituting the solar project shall be
 19 disqualified for the exemption and payment of the fee in lieu of property taxes.

20 (b) Property that is disqualified under this subsection shall:

21 (A) Be assessed and taxed as other similar property is assessed and taxed.

22 (B) In addition, be assessed a penalty in an amount equal to one year of the fee in lieu of
 23 property taxes for the property. The penalty assessed under this subparagraph shall be distributed
 24 in the manner described in subsection (4)(b) of this section.

25 (7)(a) Property constituting a solar project that has received an exemption under ORS 285C.350
 26 to 285C.370 or 307.123 for any property tax year is not eligible to pay a fee in lieu of property taxes
 27 under this section.

28 (b) Paragraph (a) of this subsection does not apply to property constituting a solar project that
 29 was the subject of an application filed pursuant to ORS 285C.350 to 285C.370 if the property did not
 30 receive the exemption for any property tax year. The election to pay the fee in lieu of property
 31 taxes for property described in this paragraph is not a disqualifying event.

32 **SECTION 2. Section 3, chapter 571, Oregon Laws 2015, is repealed.**

33 **SECTION 3. This 2021 Act takes effect on the 91st day after the date on which the 2021**
 34 **regular session of the Eighty-first Legislative Assembly adjourns sine die.**

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