

# SB 54 (2023)

## Property Tax Exemption: Alternative Energy Systems & Expansion of Community Based Solar Property

Senate Committee on Energy & Environment

LRO | 2/7/2023



# Property Tax Exemption: Alternative Energy Systems

- Partial property tax exemption
  - Solar, geothermal, wind, water, fuel cell, or methane gas energy systems for the purpose of heating, cooling or generating electricity
  - System must be
    - Net metering facility, or
    - Primarily designed to offset onsite electricity use
  - Community solar project (residential portion)
- Property tax exemption is for the alternative energy system/community solar project





# Community Solar Project

- **SB 1519 (2022)**
  - Extended Alternative Energy System property tax exemption sunset from 2023 to 2029, and
  - Added community solar project to property tax exemption
    - Only proportion of community solar project owned/leased by residential customers/subscribers is exempt
    - Proportion based on nameplate capacity of project allocated to residential owners/lessees
    - Changes were applicable to property tax years beginning on or after July 1, 2022
- **SB 54 (2023)**
  - Removes residential requirements related to community solar exemption
  - Applies to property tax years beginning on or after July 1, 2023



# Legislative Revenue Office

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