

HB 3823 STAFF MEASURE SUMMARY

House Committee On Climate, Energy, and Environment

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Sub-Referral To: House Committee On Revenue

Meeting Dates: 3/20, 3/25

WHAT THE MEASURE DOES:

The measure gives a property tax break to a business that generated or stored energy for its own use; excludes utilities from the tax break; and gives a property tax break for property installed at a residence to generate or store energy for use there.

Detailed summary:

Exempts from property taxes personal property used by a business to generate or store energy for consumption by the business on its premises. Provides that the exemption does not apply to the personal property of utility businesses. Exempts from property taxes property installed at a residence to generate or store energy for consumption at the residence. Takes effect on the 91st day following adjournment sine die.

- *FISCAL: Minimal fiscal impact*
- *REVENUE: Revenue impact statement issued*

ISSUES DISCUSSED:

- Provisions of measure
- Potential tax benefits of provision in measure
- Types of equipment eligible for tax benefits

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Current statute exempts certain types of property from ad valorem property taxation, including some alternative energy systems, such as community solar projects (Oregon Revised Statute [ORS] 307.175). As defined in ORS 757.386, a community solar project is defined as “one or more solar photovoltaic energy systems that provide owners and subscribers the opportunity to share the costs and benefits associated with the generation of electricity by the solar photovoltaic energy systems.”