



Substitute Senate Bill No. 203

Public Act No. 13-61

AN ACT CONCERNING PROPERTY TAX EXEMPTIONS FOR RENEWABLE ENERGY SOURCES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Subdivision (57) of section 12-81 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage and applicable to assessment years commencing on and after October 1, 2013*):

(57) [(a)] (A) Any Class I renewable energy source, as defined in section 16-1, or [any] hydropower facility described in subdivision (27) of subsection (a) of section 16-1, installed for the generation of electricity for private residential use or on a farm, as defined in subsection (q) of section 1-1, provided such installation occurs on or after October 1, 2007, and further provided such installation is for a single family dwelling, a multifamily dwelling consisting of two to four units or a farm, or any passive or active solar water or space heating system or geothermal energy resource;

(B) For assessment years commencing on and after October 1, 2013, any Class I renewable energy source, as defined in section 16-1, hydropower facility described in subdivision (27) of subsection (a) of section 16-1, or solar thermal or geothermal renewable energy source,

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installed for generation or displacement of energy, provided (i) such installation occurs on or after January 1, 2010, (ii) such installation is for commercial or industrial purposes, (iii) the nameplate capacity of such source or facility does not exceed the load for the location where such generation or displacement is located, and (iv) such source or facility is located in a distressed municipality, as defined in section 32-9p, with a population between one hundred twenty-five thousand and one hundred thirty-five thousand;

(C) For assessment years commencing on and after October 1, 2013, any municipality may, upon approval by its legislative body or in any town in which the legislative body is a town meeting, by the board of selectmen, abate up to one hundred per cent of property tax for any Class I renewable energy source, as defined in section 16-1, hydropower facility described in subdivision (27) of subsection (a) of section 16-1, or solar thermal or geothermal renewable energy source, installed for generation or displacement of energy, provided (i) such installation occurs between January 1, 2010, and December 31, 2013, (ii) such installation is for commercial or industrial purposes, (iii) the nameplate capacity of such source or facility does not exceed the load for the location where such generation or displacement is located, and (iv) such source or facility is not located in a municipality described in subparagraph (B) of this subdivision;

(D) For assessment years commencing on and after October 1, 2014, any Class I renewable energy source, as defined in section 16-1, hydropower facility described in subdivision (27) of subsection (a) of section 16-1, or solar thermal or geothermal renewable energy source, installed for generation or displacement of energy, provided (i) such installation occurs on or after January 1, 2014, (ii) is for commercial or industrial purposes, and (iii) the nameplate capacity of such source or facility does not exceed the load for the location where such generation or displacement is located;

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[(b)] (E) Any person claiming the exemption provided in this subdivision for any assessment year shall, on or before the first day of November in such assessment year, file with the assessor or board of assessors in the town in which such hydropower facility, Class I renewable energy source, solar thermal or geothermal renewable energy source or passive or active solar water or space heating system or geothermal energy resource is located, a written application claiming such exemption. Failure to file such application in the manner and form as provided by such assessor or board within the time limit prescribed shall constitute a waiver of the right to such exemption for such assessment year. Such application shall not be required for any assessment year following that for which the initial application is filed, provided if such hydropower facility, Class I renewable energy source, solar thermal or geothermal renewable energy source or passive or active solar water or space heating system or geothermal energy resource is altered in a manner which would require a building permit, such alteration shall be deemed a waiver of the right to such exemption until a new application, applicable with respect to such altered source, is filed and the right to such exemption is established as required initially;

Approved June 3, 2013

Public Act No. 13-61 (Substitute Senate Bill No. 203)

**AN ACT CONCERNING PROPERTY TAX EXEMPTIONS FOR
RENEWABLE ENERGY SOURCES**

Section 1 of Public Act 13-61 amends CGS §12-81(57). Pursuant to subparagraph (B) of the amended statute, the City of New Haven (i.e., a distressed municipality, with a population between 125,000 and 135,000) must exempt certain property as of October 1, 2013. Eligible for this exemption is any Class I renewable energy source, as defined in CGS §16-1, hydropower facility described in CGS §16-1(a)(27), or solar thermal or geothermal renewable energy source, installed for the generation or displacement of energy, provided such installation occurs on or after January 1, 2010 for commercial or industrial purposes, and the property does not produce more energy than the location will need (i.e., the nameplate capacity of such source or facility does not exceed the load for the location where such generation or displacement is located).

Municipalities other than New Haven may abate up to 100% of the 2013 grand list property taxes for these types of renewable energy sources, provided they are installed between January 1, 2010 and October 1, 2013.¹ The exemption must be approved by the municipality's legislative body, or, if the legislative body is a town meeting, the board of selectmen.

For assessment years commencing on or after October 1, 2014, the amendment to CGS §12-81(57) in Section 1 of Public Act 13-61 establishes a mandatory property tax exemption for renewable energy sources installed on or after January 1, 2014. The property must be a Class I renewable energy source, Class II renewable hydropower facility, or solar or geothermal renewable energy source installed for energy generation or displacement for commercial or industrial purposes. Additionally, it cannot produce more energy than the location will need.

EFFECTIVE DATE: June 3, 2013 and applicable to assessment years starting on or after October 1, 2013

¹ Although the amendment references installations occurring between January 1, 2010 and December 31, 2013, property installed after October 1, 2013 cannot receive a 2013 grand list exemption. Since property assessed on the October 1, 2013 grand list must be located in a town on or before the assessment date, there is a flaw in this language. Systems installed between October 2 and December 31, 2013 cannot enjoy exempt status for the 2013 assessment year