
OLR Bill Analysis

sSB 203

AN ACT CONCERNING PROPERTY TAX EXEMPTIONS FOR RENEWABLE ENERGY SOURCES.

SUMMARY:

This bill exempts from the property tax certain renewable energy sources installed on or after January 1, 2010, to generate or displace electricity for commercial or industrial use and purposes. It exempts (1) Class I renewable energy sources (e.g., solar or wind power), (2) nonresidential solar thermal (e.g., solar heated water), and (3) Class II renewable hydropower facilities. Current law exempts Class I renewable energy sources and Class II hydropower from the property tax if they were installed on or after October 1, 2007 to generate electricity for farm and residential use on farms and private residences.

The application process for the bill's tax exemption is the same as existing law's process for the residential and farm exemption. The applicant must file a written application with the town assessor or board of assessors by November 1. Failure to do so waives the exemption for that assessment year. Once approved, the exemption does not need to be renewed unless the renewable energy source is altered in a way that requires a building permit.

EFFECTIVE DATE: Upon passage and applicable to assessment years commencing on or after October 1, 2013.

BACKGROUND

Class I Renewable Energy Source

By law, Class I renewable energy sources include energy derived from solar power, wind power, a fuel cell, methane gas from landfills, ocean thermal power, wave or tidal power, low emission advanced renewable energy conversion technologies, run-of-the-river hydropower facilities under five megawatts that began operation after

July 1, 2003 and do not cause an appreciable change in river flow, and certain sustainable biomass facilities (CGS § 16-1(a)(26)).

Class II Hydropower

A Class II hydropower facility is the same as a Class I hydropower facility, except that it began operation before July 1, 2003 (CGS § 16-1(a)(27)).

Related Bill

sSB 1138, reported favorably by the Energy and Technology Committee, makes several changes to the Class I renewable energy definition. Among other things, it (1) makes geothermal energy a Class I energy source, (2) increases the generation limit for Class I hydropower to 30MW, and (3) tightens emission standards for Class I sustainable biomass facilities.

COMMITTEE ACTION

Energy and Technology Committee

Joint Favorable Substitute

Yea 16 Nay 8 (03/14/2013)