HOUSE DOCKET, NO. 395 FILED ON: 1/10/2013

HOUSE . . . . . No. 2740

The Commonwealth of Massachusetts

PRESENTED BY:

Frank I. Smizik and Brian A. Joyce

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying:

An Act to modernize the renewable energy property tax exemption.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
Frank I. Smizik	*15th Norfolk*
Brian A. Joyce	*Norfolk, Bristol and Plymouth*
James B. Eldridge	*Middlesex and Worcester*
Carl M. Sciortino, Jr.	*34th Middlesex*
Michael Barrett	*Third Middlesex*
Ruth B. Balser	*12th Middlesex*
Daniel A. Wolf	*Cape and Islands*
Cory Atkins	*14th Middlesex*
Jonathan Hecht	*29th Middlesex*
Paul McMurtry	*11th Norfolk*
Josh S. Cutler	*6th Plymouth*

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By Mr. Smizik of Brookline and Senator Joyce, a joint petition (accompanied by bill, House, No. 2740) of Frank I. Smizik and others relative to the renewable energy property tax exemption. Revenue.

The Commonwealth of Massachusetts

An Act to modernize the renewable energy property tax exemption.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

SECTION 1. Section 5 of said chapter 59, as so appearing, is hereby amended by striking out clause Forty-fifth and inserting in place thereof the following clause:-

Forty-fifth A, any solar powered water heating system.

Forty-fifth B, any solar or wind powered system having an electricity generating capacity not greater than 60 kilowatts.

Forty-fifth C, any solar or wind powered system having an electricity generating capacity greater than 60 kilowatts to the extent of 85% of the appraised value of the system, provided, however, that in lieu of such exemption, the owner of such a system may, in order to comply with its property tax liability obligation, execute an agreement for the payment in lieu of taxes with the municipality in which such system is sited, and said company shall be exempt from property taxes, in whole or in part, as provided in any such agreements during the terms thereof. Any such agreement shall be the result of good faith negotiations and shall be the equivalent of the property tax obligation based on full and fair cash valuation. Any such negotiated amount shall be included in the tax base for purposes of determining the levy ceiling and levy limit under section 21C and in determining minimum residential factor and classification of property under section 1A of chapter 58 of the General Laws and section 56 of chapter 40 of the General Laws. The department of revenue may issue guidelines for implementing the provisions of this subsection consistent with preserving the negotiated payment amount in the local tax base for such purpose. This clause shall not apply to projects developed under section 1A of chapter 164.

Forty-fifth D, an exemption under this clause forty-fifth shall be allowed only for a period of twenty years from the date of the installation of the system.

22 SECTION 2. The division of local services within the department of revenue shall study
23 the impact and provide an estimate of the effect of the changes to chapter 59 of the General Laws
24 contained in this act on municipal revenues. The division of local services shall submit a report
25 detailing its findings to the clerks of the senate and the house of representatives, the chairs of the
26 joint committee on telecommunications, utilities and energy, the chairs of the joint committee on
27 revenue and the chairs of the joint committee on municipalities and regional government not
28 later than 4 years after the effective date of this act.