SENATE . . . . . No. 2160

The Commonwealth of Massachusetts

In the One Hundred and Ninetieth General Court
(2017-2018)

SENATE, Monday, September 18, 2017

The committee on Revenue to whom was referred the petitions (accompanied by bill, Senate, No. 1613) of Michael J. Rodrigues, Alan Silvia and Jennifer L. Flanagan for legislation relative to clarifying property tax exemptions for solar and wind systems; and (accompanied by bill, Senate, No. 1615) of Michael J. Rodrigues, Mark C. Montigny, Susan Williams Gifford, Christopher M. Markey and others for legislation relative to solar and wind property tax exemptions,- reports the accompanying bill (Senate, No. 2160).

For the committee,
Michael D. Brady

SENATE . . . . . No. 2160

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In the One Hundred and Ninetieth General Court
(2017-2018)

An Act relative to clarifying property tax exemptions for solar and wind systems.

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 chapter 59 of the General Laws, as appearing in the 2016 Official Edition, is hereby amended by striking out clause Forty-fifth and inserting in place thereof the following clause:-

Forty-fifth, Any solar or wind powered system that is capable of producing not more than 125 per cent of the annual energy needs of the real property upon which it is located, which shall include contiguous or non-contiguous real property owned or leased by the owner, or in which the owner otherwise holds an interest. Any other solar or wind powered system capable of producing energy shall be exempt provided that the owner has made to the city or town where the system is located a payment in lieu of taxes. A city or town, acting through the board or officer authorized by its legislative body, may execute an agreement for the payment in lieu of taxes with the owner of a solar or wind powered system in the municipality where the solar or wind powered system is located. Unless otherwise provided by such agreement, (1) a notice of the payment in lieu of tax owed for each fiscal year shall be mailed to the owner and due on the

dates by which a tax assessed under this chapter would be payable without interest; (2) all provisions of law regarding billing and collecting a tax assessed under this chapter shall apply to the payment in lieu of taxes, including the payment of interest; and (3) upon issuance of the notice, the owner shall have the remedies provided by section 59, section 64 and all other applicable provisions of law for the abatement and appeal of taxes upon real estate. An exemption under this clause shall be allowed only for a period of 20 years from the date of installation of the system; provided, however, that no exemption shall be allowed for any year within that period where the solar or wind powered system is not capable of producing energy as required by this clause. Each owner shall annually, on or before March 1, make a declaration under oath to the assessors regarding the system and power generated for the previous calendar year. This clause shall not apply to (1) projects developed under section 1A of chapter 164 or (2) solar and wind powered systems for which the owner has signed an agreement with the city or town to make a payment in lieu of taxes under section 38H(b) of chapter 59 prior to July 1, 2018.

SECTION 2. Subsection (b) of section 38H of said chapter 59, as so appearing, is hereby amended by inserting after the first sentence the following sentence:- For purposes of this subsection, a generation facility shall not include a facility powered by sun or wind to generate electricity.

SECTION 3. This act shall apply to taxes assessed for fiscal years beginning on or after July 1, 2018.