



Substitute House Bill No. 6106

Public Act No. 21-180

AN ACT CONCERNING THE PROPERTY TAX EXEMPTION FOR CERTAIN RENEWABLE ENERGY SOURCES AND HYDROPOWER FACILITIES.

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 Subdivision (57) of section 12-81 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2021, and applicable to assessment years commencing on or after October 1, 2021*):

(57) (A) (i) Any Class I renewable energy source, as defined in section 16-1, or hydropower facility described in subdivision (21) of subsection (a) of section 16-1, installed for the generation of electricity where such electricity is intended for private residential use or on a farm, as defined in subsection (q) of section 1-1, provided (I) such installation occurs on or after October 1, 2007, [and further provided] (II) the estimated annual production of such source or facility does not exceed the estimated annual load for the location where such source or facility is located, where such load and production are estimated as of the date of installation of the source or facility as indicated in the written application filed pursuant to subparagraph (E) of this subdivision, and (III) such installation is for a single family dwelling, a multifamily dwelling consisting of two to four units or a farm; [,] (ii) any passive or

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active solar water or space heating system; [,] or (iii) any geothermal energy resource. In the case of clause (i) of this subparagraph, the utilization of or participation in any net metering or tariff policy or program implemented by the state or ownership of such source or facility by a party other than the owner of the real property upon which such source or facility is installed shall not disqualify such source or facility from exemption pursuant to this section. In the case of clause (ii) or (iii) of this subparagraph, such exemption shall apply only to the amount by which the assessed valuation of the real property equipped with such system or resource exceeds the assessed valuation of such real property equipped with the conventional portion of the system or 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 (21) 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, 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 (21) of subsection (a) of section 16-1, or solar thermal or geothermal renewable energy source, installed for

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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 (i) Class I renewable energy source, as defined in section 16-1, (ii) hydropower facility described in subdivision (21) of subsection (a) of section 16-1, or (iii) 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, (III) the nameplate capacity of such source or facility does not exceed the load for the location where such generation or displacement is located or the aggregated load of the beneficial accounts for any Class I renewable energy source participating in virtual net metering pursuant to section 16-244u, and (IV) in the case of clause (iii) of this subparagraph, such exemption shall apply only to the amount by which the assessed valuation of the real property equipped with such source exceeds the assessed valuation of such real property equipped with the conventional portion of the source;

(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. Such application shall be made on a form prepared for such purpose by the Secretary of the Office of Policy and Management, in consultation with

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the Connecticut Association of Assessing Officers and the Connecticut Green Bank established pursuant to section 16-245n, and shall include, but not be limited to, a statement of the estimated annual load and production of a source or facility described in clause (i) of subparagraph (A) of this subdivision as of the date of the installation of such source or facility. Said secretary shall make such application available to the public on the Internet web site of the Office of Policy and Management. Failure to file such application in the manner and form as provided by [such assessor or board] the secretary 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. In the event that a person owns more than one such source or facility in a municipality, such person may file a single application identifying each source or facility;

(F) For assessment years commencing on and after October 1, 2015, any municipality may, by vote of its legislative body or, in a municipality where the legislative body is a town meeting, by vote of the board of selectmen, abate up to one hundred per cent of the property taxes due for any tax year, for not longer than the term of the power purchase agreement, with respect to any Class I renewable energy source, as defined in section 16-1, that is the subject of such power purchase agreement approved by the Public Utilities Regulatory Authority pursuant to section 16a-3f;

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Approved July 12, 2021