

HOUSE BILL 62

By Hawk

AN ACT to amend Tennessee Code Annotated, Title 67, to assure equitable taxation of green energy production facilities.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 67-5-601, is amended by deleting subsection (e) and substituting instead the following:

(e)

(1) The general assembly finds that any public utility property or commercial and industrial property that generates electricity using machinery and equipment from a certified green energy production facility, as defined in § 67-4-2004, is generally capable of producing less electricity than conventional energy sources, and use of these facilities should be encouraged to conserve limited natural resources. The general assembly further finds, that unless these findings are considered in the determination of value for tax purposes under this chapter, investment in property to generate electricity from geothermal, hydrogen, solar or wind sources will be discouraged, denying the citizens of this state the environmental benefits associated with the greater use of these energy sources, as a renewable energy source, for electric power generation.

(2) Based on the foregoing findings, property that generates electricity using a certified green energy production facility, shall be deemed to have a value not in excess of one-third (1/3) of its total installed costs. A copy of the facility certification issued by the department of environment and conservation, effective as of January 1 of the year for which valuation under this subsection is claimed, shall be required and shall be provided by the property owner to the

comptroller's office by March 1 of the first year for which valuation under this subsection is claimed. The department of environment and conservation shall report each month to the comptroller a listing of certifications approved in the preceding month, and shall provide copies of certification records to the comptroller on request.

SECTION 2. Tennessee Code Annotated, Section 67-5-604, is amended by deleting subsection (d) in its entirety.

SECTION 3. This act shall take effect upon becoming law, the public welfare requiring it, and shall apply retroactively for tax year 2013.