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An Act Regarding Property Taxes on Certain Energy Generation Projects

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 36 MRSA §271, sub-§2, ¶A, as amended by PL 2019, c. 401, Pt. A, §4, is further amended to read:

A. Hear and determine appeals according to the following provisions of law:

- (1) The tree growth tax law, chapter 105, subchapter 2-A;
- (2) The farm and open space law, chapter 105, subchapter 10;
- (3) As provided in section 843;
- (4) As provided in section 844;
- (5) Section 272;
- (6) Section 2865;
- (7) The current use valuation of certain working waterfront land law, chapter 105, subchapter 10-A; and
- (8) Section 209; and
- (9) Section 307;

Sec. 2. 36 MRSA §307 is enacted to read:

§ 307. Valuation of certain energy generation projects

Notwithstanding any provision of this Title to the contrary, this section governs the determination of the just value of certain energy generation property.

1. State Tax Assessor; valuation. The State Tax Assessor shall determine the just value of generation assets that are part of an energy generation project with property located partially in the unorganized territory and partially in primary assessing areas or municipal assessing units. For the

purposes of this section, "generation assets" has the same meaning as defined in Title 35-A, section 3201, subsection 10, and "energy generation project" includes generation assets used by a project up to the point of connection with the independent system operator of the New England bulk power system, or a successor organization, or with the customer of the energy generated by the project.

2. Powers of State Tax Assessor. The State Tax Assessor may exercise the same powers with regard to determinations of just value of property located in primary assessing areas or municipal assessing units under this section as apply to the determination of the just value of property located in the unorganized territory.

3. Apportionment of value. The State Tax Assessor shall determine the portion of the just value of generation assets of an energy generation project attributable to the unorganized territory and each primary assessing area and municipal assessing unit and shall notify each primary assessing area and municipal assessing unit of its portion of the just value annually.

4. Use of just value determination. For the purposes of assessing property taxes under this Part, each primary assessing area and municipal assessing unit with a portion of the just value of an energy generation project determined by the State Tax Assessor under this section shall use the State Tax Assessor's just value adjusted by the primary assessing area's or municipal assessing unit's assessment ratio.

5. Captured assessed value. The value of a generation asset determined by the State Tax Assessor under subsection 1 may not be considered captured assessed value for a development district approved by a municipality or plantation under Title 30-A, chapter 206 after the effective date of this section.

6. Appeal. An owner of property subject to valuation under this section and a primary assessing area or a municipal assessing unit in which property subject to valuation under this section is located may appeal the determination of just value by the State Tax Assessor to the State Board of Property Tax Review as provided under chapter 101, subchapter 2-A.

SUMMARY

This bill provides that, for property tax purposes, the State Tax Assessor determines the valuation of the property of an energy generation project that is located partially in the unorganized territory and partially in organized areas and apportions to the organized areas the portion of the project valuation located in each organized area. The valuation of an energy generation asset determined by the State Tax Assessor may not be considered captured assessed value for tax increment financing purposes, and an appeal of a valuation may be made to the State Board of Property Tax Review.