

STATE OF MAINE

IN THE YEAR OF OUR LORD
TWO THOUSAND TWENTY-FOUR

H.P. 725 - L.D. 1153

An Act Regarding Municipal Taxation of Certain Solar Energy Equipment

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

Sec. 1. 36 MRSA §655, sub-§1, ¶T, as amended by PL 2019, c. 440, §2, is further amended to read:

T. Trail-grooming equipment registered under Title 12, section 13113; and

Sec. 2. 36 MRSA §655, sub-§1, ¶U, as amended by PL 2021, c. 181, Pt. C, §2, is further amended to read:

U. Solar and wind energy equipment that generates heat or electricity if all of the energy is:

- (1) Used on the site where the property is located; or
- (2) Transmitted through the facilities of a transmission and distribution utility; and a utility customer or customers receive a utility bill credit for the energy generated by the equipment pursuant to Title 35-A.

On or before April 1st of the first property tax year for which a taxpayer claims an exemption under this paragraph, the taxpayer claiming the exemption shall file a report with the assessor. The report must identify the property for which the exemption is claimed and must be made on a form prescribed by the State Tax Assessor or a substitute form approved by the State Tax Assessor. The State Tax Assessor shall furnish copies of the form to each municipality in the State and make the forms available to taxpayers.

This paragraph applies to solar energy equipment for property tax years beginning before April 1, 2025; and

Sec. 3. 36 MRSA §655, sub-§1, ¶V is enacted to read:

V. For property tax years beginning on or after April 1, 2025, solar energy equipment that generates heat or electricity if:

- (1) All of the energy is used on the site where the property is located;

(2) The equipment is collocated with a net energy billing customer that is or net energy billing customers that are subscribed to at least 50% of the facility's output;
or

(3) All of the energy is transmitted through the facilities of a transmission and distribution utility and a utility customer or customers receive a utility bill credit for the energy generated by the equipment pursuant to Title 35-A, section 3209-A or 3209-B and the generator of electricity entered into a fully executed interconnection agreement with a transmission and distribution utility prior to June 1, 2024.

On or before April 1st of the first property tax year for which a taxpayer claims an exemption under this paragraph, the taxpayer claiming the exemption shall file a report with the assessor. The report must identify the property for which the exemption is claimed and must be made on a form prescribed by the State Tax Assessor or a substitute form approved by the State Tax Assessor. The State Tax Assessor shall furnish copies of the form to each municipality in the State and make the forms available to taxpayers.

Sec. 4. 36 MRSA §656, sub-§1, ¶K, as amended by PL 2021, c. 181, Pt. C, §3, is further amended to read:

K. Solar and wind energy equipment that generates heat or electricity if all of the energy is:

(1) Used on the site where the property is located; or

(2) Transmitted through the facilities of a transmission and distribution utility; and a utility customer or customers receive a utility bill credit for the energy generated by the equipment pursuant to Title 35-A.

On or before April 1st of the first property tax year for which a taxpayer claims an exemption under this paragraph, the taxpayer claiming the exemption shall file a report with the assessor. The report must identify the property for which the exemption is claimed and must be made on a form prescribed by the State Tax Assessor or a substitute form approved by the State Tax Assessor. The State Tax Assessor shall furnish copies of the form to each municipality in the State and make the forms available to taxpayers.

This paragraph applies to solar energy equipment for property tax years beginning before April 1, 2025.

Sec. 5. 36 MRSA §656, sub-§1, ¶L is enacted to read:

L. For property tax years beginning on or after April 1, 2025, solar energy equipment that generates heat or electricity if:

(1) All of the energy is used on the site where the property is located;

(2) The equipment is collocated with a net energy billing customer that is or net energy billing customers that are subscribed to at least 50% of the facility's output;
or

(3) All of the energy is transmitted through the facilities of a transmission and distribution utility and a utility customer or customers receive a utility bill credit

for the energy generated by the equipment pursuant to Title 35-A, section 3209-A or 3209-B and the generator of electricity entered into a fully executed interconnection agreement with a transmission and distribution utility prior to June 1, 2024.

On or before April 1st of the first property tax year for which a taxpayer claims an exemption under this paragraph, the taxpayer claiming the exemption shall file a report with the assessor. The report must identify the property for which the exemption is claimed and must be made on a form prescribed by the State Tax Assessor or a substitute form approved by the State Tax Assessor. The State Tax Assessor shall furnish copies of the form to each municipality in the State and make the forms available to taxpayers.

Sec. 6. State Tax Assessor duties. By January 1, 2025, the State Tax Assessor shall update the Department of Administrative and Financial Services, Bureau of Revenue Services' solar energy equipment exemption information bulletin to reflect any changes made to relevant laws after December 31, 2023. The assessor shall also establish a general method of valuation for commercial solar arrays similar to the general method of valuation for residential solar arrays and include information about the method of valuation in the bulletin. To update the bulletin, the assessor shall consult with municipal assessors, members of the solar industry and representatives of State Government.