

STATE OF MAINE

IN THE YEAR OF OUR LORD
TWO THOUSAND NINETEEN

H.P. 1040 - L.D. 1430

An Act To Create Tax Equity among Renewable Energy Investments

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

Sec. 1. 36 MRSA §655, sub-§1, ¶S, as amended by PL 2005, c. 652, §1 and affected by §3, is further amended to read:

S. Mining property as provided in section 2854; ~~and~~

Sec. 2. 36 MRSA §655, sub-§1, ¶T, as enacted by PL 2005, c. 652, §1 and affected by §3, is amended to read:

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

Sec. 3. 36 MRSA §655, sub-§1, ¶U is enacted 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 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.

The bureau may audit the records of a municipality to ensure compliance with this paragraph. The bureau may independently review the records of a municipality to determine if exemptions have been properly approved. If the bureau determines that an exemption was improperly approved, the bureau shall ensure, either by setoff

against other payments due the municipality or otherwise, that the municipality is not reimbursed for the exemption. A municipality that is aggrieved by a determination of the bureau under this paragraph may appeal pursuant to section 151.

Sec. 4. 36 MRSA §656, sub-§1, ¶K is enacted 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 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.

The bureau may audit the records of a municipality to ensure compliance with this paragraph. The bureau may independently review the records of a municipality to determine if exemptions have been properly approved. If the bureau determines that an exemption was improperly approved, the bureau shall ensure, either by setoff against other payments due the municipality or otherwise, that the municipality is not reimbursed for the exemption. A municipality that is aggrieved by a determination of the bureau under this paragraph may appeal pursuant to section 151.

Sec. 5. Report regarding valuation of renewable energy facilities. The Department of Administrative and Financial Services, Maine Revenue Services, within existing resources, shall work with a stakeholder group and prepare a report by December 1, 2019 that includes guidance for determining the valuation and assessment of renewable energy facilities that qualify for a property tax exemption. The department shall make this report available on its publicly accessible website.

Sec. 6. Appropriations and allocations. The following appropriations and allocations are made.

ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF

Revenue Services, Bureau of 0002

Initiative: Provides funding for one Principal Property Tax Appraiser and related costs to review, process and audit property tax exemptions for certain renewable energy facilities in the form of personal property and real property.

GENERAL FUND	2019-20	2020-21
POSITIONS - LEGISLATIVE COUNT	0.000	1.000
Personal Services	\$0	\$102,024
All Other	\$0	\$5,858
GENERAL FUND TOTAL	<u>\$0</u>	<u>\$107,882</u>