

House Bill 3492

Sponsored by Representative HUFFMAN; Representatives BENTZ, HELM, READ, REARDON, Senator ROBLAN

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Requires county, upon request of owner of solar project, to enter into agreement, for period not to exceed 20 years, pursuant to which property constituting solar project is exempt from property taxation and owner pays fee in lieu of taxes. Provides that fee shall equal \$7,000 per megawatt of nameplate capacity of solar project. Provides that fee shall be distributed using same distribution schedule as for property taxes.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to taxation of solar projects; and prescribing an effective date.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1.** (1) **Upon request of the owner of a solar project located in the county, the**
5 **governing body of the county shall enter into an agreement with the owner that exempts**
6 **from property taxes the property constituting the solar project and allows the owner to pay**
7 **a fee in lieu of property taxes imposed on the property. An agreement may not be entered**
8 **into for a period longer than 20 consecutive years.**

9 (2) **The fee in lieu of property taxes shall be computed at the rate of \$7,000 per megawatt**
10 **of nameplate capacity of the project for each property tax year.**

11 (3)(a) **On or before December 31 preceding the first property tax year to which an**
12 **agreement entered into under this section relates, the owner of the solar project shall file**
13 **with the county assessor a request for exemption of the property constituting the solar**
14 **project and computation of the fee in lieu of property taxes for the exempt property. The**
15 **request shall include any information required by the assessor to compute the fee. The re-**
16 **quest shall be made on a form prescribed by the Department of Revenue.**

17 (b) **On or before April 1 of each year to which the agreement relates, the county assessor**
18 **shall compute the fee in lieu of property taxes for the property constituting the solar project**
19 **and shall notify the owner:**

20 (A) **That the owner is required to pay the fee in lieu of property taxes to the county**
21 **treasurer on or before May 1; and**

22 (B) **Of the amount due and of the consequences of late payment or nonpayment.**

23 (c) **On or before July 15 of each year, the county treasurer shall distribute fees collected**
24 **pursuant to this section to the taxing districts within the county according to the percentage**
25 **schedule prepared under ORS 311.390.**

26 (4) **If the owner of a solar project who has entered into an agreement under this section**
27 **fails to timely file the request for exemption and computation of the fee in lieu of property**
28 **taxes or to pay the fee as required under this section, the property shall not be exempt for**
29 **the following property tax year and shall be assessed and taxed as other similar property is**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 assessed and taxed.

2 (5) Interest on delinquent fee payments shall be charged and collected at the rate pre-
3 scribed in ORS 311.505 (2).

4 (6) After the first request for exemption and computation is filed under subsection (3)(a)
5 of this section, a new request is not required for the remaining term of the agreement unless
6 the ownership or the nameplate capacity of the solar project changes.

7 (7) Property constituting a solar project may not qualify for the exemption granted under
8 ORS 285C.350 to 285C.370 for any property tax year to which an agreement entered into under
9 this section relates.

10 (8) As used in this section, "property taxes" has the meaning given the term "tax on
11 property" in ORS 310.140.

12 SECTION 2. Section 1 of this 2015 Act applies to property tax years beginning on or after
13 July 1, 2016.

14 SECTION 3. This 2015 Act takes effect on the 91st day after the date on which the 2015
15 regular session of the Seventy-eighth Legislative Assembly adjourns sine die.
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