

HB 2563-2
(LC 2502)
5/16/11 (ASD/ps)

**PROPOSED AMENDMENTS TO
HOUSE BILL 2563**

1 On page 1 of the printed bill, line 2, after the first semicolon delete the
2 rest of the line and delete lines 3 through 10 and insert "amending ORS
3 307.175; and prescribing an effective date."

4 Delete lines 12 through 30 and delete pages 2 through 22 and insert:

5 **"SECTION 1.** ORS 307.175 is amended to read:

6 "307.175. (1) **As used in this section, 'alternative energy system'**
7 **means** property [*equipped with*] **consisting of** solar, geothermal, wind, wa-
8 ter, fuel cell or methane gas energy systems for the purpose of heating,
9 cooling or generating [*electrical energy shall be exempt from ad valorem tax-*
10 *ation in an amount that equals any positive amount obtained by subtracting*
11 *the real market value of the property as if it were not equipped with such*
12 *systems, from the real market value of the property so equipped] **electricity.***

13 **"(2) Alternative energy systems and property leased for the purpose**
14 **of installing and operating alternative energy systems are exempt from**
15 **ad valorem property taxation.**

16 "[~~(2)~~] (3) This section applies to tax years beginning prior to July 1,
17 [~~2012~~] 2018.

18 "[~~(3)~~] (4)(a) [*Except as provided in subsection (4) of this section, this sec-*
19 *tion does not apply to property owned or leased by any person whose principal*
20 *business activity is directly or indirectly the production, transportation or*
21 *distribution of energy, including but not limited to public utilities as defined*
22 *in ORS 757.005 and people's utility districts as defined in ORS 261.010]*