

PRELIMINARY STAFF MEASURE SUMMARY

House Committee On Revenue

Fiscal: Fiscal impact issued
Revenue: Revenue impact issued

Action Date:

Action:

Meeting Dates:

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WHAT THE MEASURE DOES:

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. Establishes fee equal to \$7,000 per megawatt of nameplate capacity of solar project. Requires county assessor to calculate and levy fee based upon information required to be provided by solar project owner. Requires fee revenue to be distributed proportionally to taxing districts within which solar project is located based upon percentage schedule prepared under ORS 311.390. Establishes fee deadline. Prohibits solar project from qualifying for exemption under Rural Renewable Energy Development Zone for any property tax year in which fee agreement relates. Applies to property tax years beginning on or after July 1, 2016.

ISSUES DISCUSSED:

EFFECT OF COMMITTEE AMENDMENT:

-1 Replaces content of bill

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. Establishes fee equal to \$7,000 per megawatt of nameplate capacity of solar project. Requires fee revenue to be distributed proportionally to taxing districts within which solar project is located based upon each affected district's permanent ad valorem property tax limit. Requires county assessor to calculate and levy fee based upon information required to be provided by solar project owner. Establishes fee deadline and late payment criteria. Requires solar project failing to pay fee for more than one year during term of an agreement to be disqualified from exemption and pay penalty equal to one year of the fee. Penalty credited to general fund of county in which property is located. Prohibits solar project that has received an exemption for any property tax year under the Rural Renewable Energy Development Zone from receiving exemption and paying in lieu fee. Applies to property tax years beginning on or after July 1, 2016.

BACKGROUND: