

VIRGINIA ACTS OF ASSEMBLY -- 2015 SESSION

CHAPTER 230

An Act to amend the Code of Virginia by adding in Article 2 of Chapter 35 of Title 58.1 a section numbered 58.1-3508.6, relating to machinery and tools tax; machinery and tools used directly in producing or generating renewable energy.

[H 1297]

Approved March 17, 2015

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding in Article 2 of Chapter 35 of Title 58.1 a section numbered 58.1-3508.6 as follows:

§ 58.1-3508.6. Separate classification of machinery and tools used directly in producing or generating renewable energy.

Machinery and tools, including repair and replacement parts, owned by a business and used directly in producing or generating renewable energy shall constitute a classification for local taxation separate from other classifications of machinery and tools as defined in § 58.1-3507. The governing body of any county, city, or town may levy a tax on such classification of property at a different rate from the tax levied on other machinery and tools. The rate of tax and the rate of assessment shall not exceed that applicable to the general class of machinery and tools.

The rate of tax and rate of assessment under this section shall not apply to machinery and tools owned by a business and used directly in producing or generating renewable energy covered under Chapter 26 (§ 58.1-2600 et seq.), unless the rate of tax and rate of assessment under this section would result in a lower property tax on such machinery and tools.

As used in this section, "renewable energy" means energy derived from sunlight, wind, falling water, biomass, sustainable or otherwise (the definitions of which shall be liberally construed), energy from waste, landfill gas, municipal solid waste, wave motion, tides, or geothermal power and does not include energy derived from coal, oil, natural gas, or nuclear power.