

1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

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

5 [H 1297]

6 Approved

7 **Be it enacted by the General Assembly of Virginia:**

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

10 *§ 58.1-3508.6. Separate classification of machinery and tools used directly in producing or*
11 *generating renewable energy.*

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

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

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

ENROLLED

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