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HOUSE BILL NO. 1087

Offered January 12, 2022

Prefiled January 12, 2022

A *BILL to amend the Code of Virginia by adding a section numbered 58.1-2606.1, relating to local taxation of machinery and tools used directly in producing or generating renewable energy for certain solar projects; revenue share assessment.*

Patron—Leftwich

Referred to Committee on Finance

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding a section numbered 58.1-2606.1 as follows:

§ 58.1-2606.1. Local taxation for solar photovoltaic projects less than five megawatts.

A. Notwithstanding clause (iv) of subsection C of § 58.1-3660, generating equipment of solar photovoltaic projects less than five megawatts shall be taxable by a locality, at a rate determined by such locality, but shall not exceed the real estate rate applicable in that locality and notwithstanding subsection F of § 58.1-3660, the exemption shall be as follows: 80 percent of the assessed value in the first five years in service after commencement of commercial operation, 70 percent of the assessed value in the second five years in service, and 60 percent of the assessed value for all remaining years in service.

B. Notwithstanding clause (iii) of subsection B of § 58.1-2636, solar photovoltaic projects less than five megawatts shall not be exempt from the assessment of a revenue share by ordinance of that locality, as otherwise authorized pursuant to the provisions of § 58.1-2636.

C. Nothing herein shall be construed to authorize local taxation of generating or storage equipment of solar photovoltaic projects that serve the electricity needs of that property upon which such solar facilities are located, as is provided in § 15.2-2288.7.

INTRODUCED

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