

1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

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

5 [H 1087]

6 Approved

7 **Be it enacted by the General Assembly of Virginia:**8 **1. That the Code of Virginia is amended by adding a section numbered 58.1-2606.1 as follows:**9 **§ 58.1-2606.1. Local taxation for solar photovoltaic projects five megawatts or less.**

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

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

20 *C. Nothing herein shall be construed to authorize local taxation pursuant to this section,*
21 *§ 58.1-2636, or § 58.1-3660 of generating or storage equipment of solar photovoltaic projects that serve*
22 *the electricity needs of that property upon which such solar facilities are located, as is provided in*
23 *§ 15.2-2288.7.*

24 **2. That the provisions of this act shall not apply to any solar photovoltaic projects five megawatts**
25 **or less that were approved by a locality prior to July 1, 2022.**

ENROLLED

HB1087ER