

Assessors Association

Fixing the Solar Property Tax Exemption

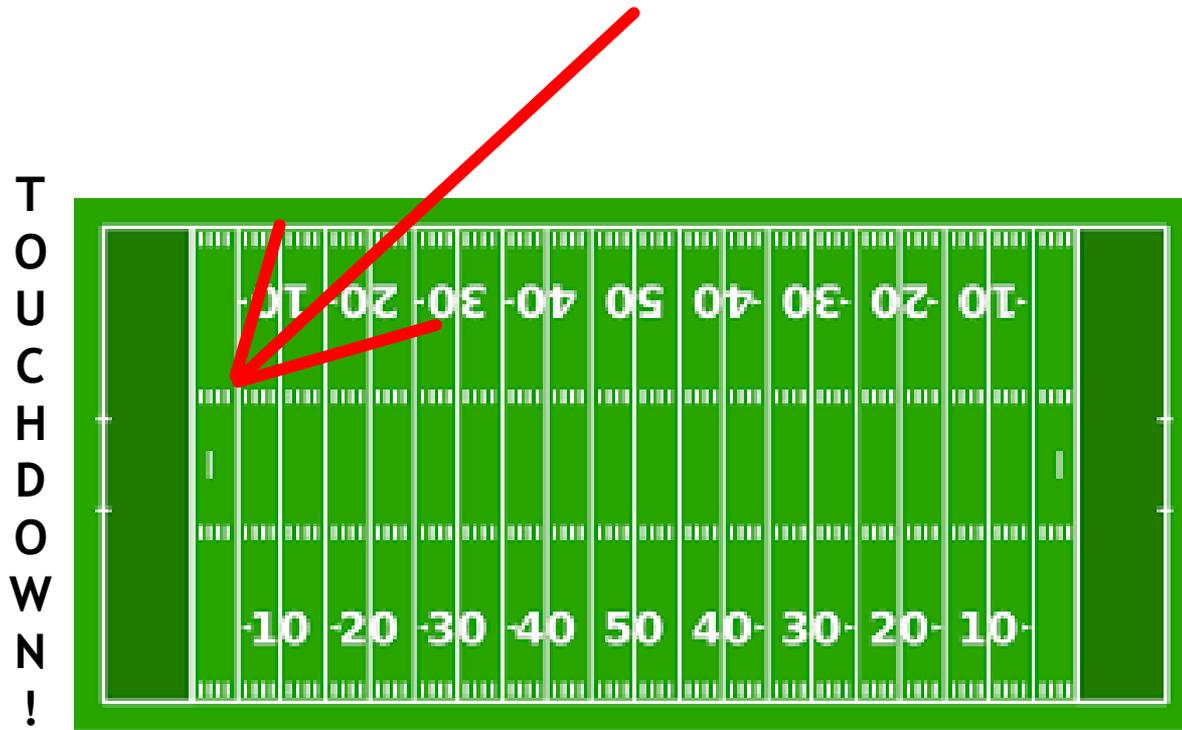
SECTION 15G of H. 4933

August 2020

Agenda

- ▶ Overview/background/history of the solar property tax exemption issue/legislation
- ▶ Where we are now
- ▶ What YOU can do

We are at the 5 yard line!



Background

- ▶ **Current law governing property tax exemption for solar is outdated and antiquated**
 - ▶ DOR and ATB have issued different opinions of what can and cant be taxed/ is exempt
- ▶ **MAAO has filed legislation to clarify the exemption and modernize the language to address how solar is used today**
 - ▶ Passed State Senate last session, House “Third Reading” Committee
 - ▶ This session 4 bills filed
 - ▶ Sen. Mike Rodrigues - Westport
 - ▶ Rep. Jeff Roy - Franklin
 - ▶ Rep. Chris Markey - Dartmouth
 - ▶ Rep. John Barrett - North Adams

Background

- ▶ Our bill (s)
 - ▶ Clarifies property tax exemption if you generate less than 125% of power needed
 - ▶ Allows for contiguous or other property in a community
 - ▶ Allows existing PILOTs to continue. Allows future PILOTs.

NOW!

- ▶ Language passed by the House of Representatives end of July as part of a large Climate Change bill
 - ▶ **SECTION 15G of H. 4933**
- ▶ Climate bill in Conference Committee - final version being worked out now
 - ▶ 3 members of House and 3 of Senate
- ▶ Our goal - get SECTION 15G of H. 4933 in Conference Committee Report of Climate bill

What we
need you to
do!

For Assessors Live/Work in these communities

EMAIL and CALL the Conference Committee Members

- ▶ **** Sen Mike Barrett - Lincoln, Waltham, Bedford, Carlisle, Chelmsford, Concord, Lexington, Sudbury, Weston**
- ▶ Sen. Cindy Creem - Newton, Brookline, Wellesley
- ▶ Sen Patrick O'Connor - Weymouth, Duxbury, Hingham, Hull, Marshfield, Norwell, Scituate, Cohasset
- ▶ **** Rep Tom Golden - Lowell, Chelmsford**
- ▶ Rep Patricia Haddad - Somerset, Dighton, Swansea, Taunton
- ▶ Rep Brad Jones - North Reading, Lynnfield, Middleton, Reading

For all other assessors

- ▶ Call and email YOUR State Senator and State Representative where you live - you are their constituent
- ▶ Call and email the State Senator(s) and State Representative(s) in the community where you work
- ▶ **Ask them to go to the Conference Committee members in support of SECTION 15G of H. 4933**

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For all assessors

- ▶ **Reach out to your local officials (ie town/city manager/ board of selectmen/ etc.)**
 - ▶ Ask them to weigh in with the communities state legislative delegation

Messaging - KEEP IT SIMPLE

- ▶ **We want SECTION 15G of H. 4933 in Conference Committee Report of Climate bill**
- ▶ Addresses a long-standing problem communities are having in administering the current property tax exemption on solar.
- ▶ The current law is outdated and ambiguous. Technology has changed and the law hasn't kept up with it.
- ▶ This section does nothing more than clarify and update a long-standing property tax exemption for solar power.

Stay out of the weeds.
Keep it simple!



Messaging - for email/discussion

- ▶ **Addresses a long-standing problem** communities are having in administering the current property tax exemption on solar.
- ▶ **The current law is outdated and ambiguous.** Technology has changed and the law hasn't kept up with it.
 - ▶ When solar was first introduced there were solar panels on the roof and a battery in the basement, and it was clear the power was there and to be used on site. As technology has advanced, the solar power generated is not solely intended to provide power to the host property, but is now often transferred out to the grid.
- ▶ This language **clarifies the property tax exemption** for people who use the power on site, contiguous site or on-contiguous real property owned or leased by the owner, supplying no more than 125% of the owner's power needs.
- ▶ This language carries through on the original intent of the law to provide a property tax exemption for solar as an alternative power source for the property owner.