

# HB3120



## 99TH GENERAL ASSEMBLY

State of Illinois

2015 and 2016

HB3120

by Rep. Tom Demmer

### SYNOPSIS AS INTRODUCED:

35 ILCS 200/Art. 10 Div. 18 heading  
35 ILCS 200/10-600  
35 ILCS 200/10-610  
35 ILCS 200/10-625 new

Amends the Property Tax Code. Provides that a Division of the Code concerning wind energy property assessment also applies to solar energy devices. Effective immediately.

LRB099 09976 HLH 30195 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning revenue.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The Property Tax Code is amended by changing the  
5 heading of Division 18 of Article 10 and Sections 10-600 and  
6 10-610 and by adding Section 10-625 as follows:

7 (35 ILCS 200/Art. 10 Div. 18 heading)

8 DIVISION 18. RENEWABLE ~~WIND~~ ENERGY PROPERTY ASSESSMENT

9 (Source: P.A. 95-644, eff. 10-12-07; 95-876, eff. 8-21-08.)

10 (35 ILCS 200/10-600)

11 Sec. 10-600. Definitions. For the purposes of this Division  
12 18:

13 "Renewable energy device" means any wind energy device or  
14 solar energy device, as defined in this section.

15 "Wind energy device" means any device, with a nameplate  
16 capacity of at least 0.5 megawatts, that is used in the process  
17 of converting kinetic energy from the wind to generate electric  
18 power for commercial sale.

19 "Solar energy device" means any single device, with a  
20 nameplate capacity of at least 0.5 megawatts, that uses  
21 photovoltaic cells and panels to convert energy from the sun  
22 into electricity that is not primarily consumed by the solar

1 energy device owner.

2 "Wind energy device ~~2007~~ real property cost basis" excludes  
3 personal property but represents both the land and real  
4 property improvements of a wind energy device and means  
5 \$360,000 per megawatt of nameplate capacity.

6 "Solar energy device real property cost basis" excludes  
7 personal property but represents both the land and real  
8 property improvements of a solar energy device. Solar energy  
9 device real property cost basis shall be equivalent to 20% of  
10 the original cost reduced by the value of any investment tax  
11 credits, production tax credits, or cash grants in lieu of  
12 investment tax credits applicable to the renewable energy  
13 device, as certified by the Department of Revenue.

14 "Trending factor" means a number equal to the consumer  
15 price index (U.S. city average all items) published by the  
16 Bureau of Labor Statistics for the December immediately  
17 preceding the assessment date, divided by the consumer price  
18 index (U.S. city average all items) published by the Bureau of  
19 Labor Statistics for December 2006.

20 "Trended real property cost basis" means the renewable  
21 energy device ~~2007~~ real property cost basis multiplied by the  
22 trending factor.

23 "Allowance for physical depreciation" means (i) the actual  
24 age in years of the renewable ~~wind~~ energy device on the  
25 assessment date divided by 25 years multiplied by (ii) its ~~the~~  
26 trended real property cost basis. The physical depreciation,

1 however, may not reduce the value of the renewable ~~wind~~ energy  
2 device to less than 30% of its ~~the~~ trended real property cost  
3 basis.

4 (Source: P.A. 95-644, eff. 10-12-07.)

5 (35 ILCS 200/10-610)

6 Sec. 10-610. Applicability.

7 (a) The provisions of this Division apply for assessment  
8 years 2007 through 2026 ~~2016~~.

9 (b) The provisions of this Division do not apply to  
10 renewable ~~wind~~ energy devices that are owned by any person or  
11 entity that is otherwise exempt from taxation under the  
12 Property Tax Code.

13 (Source: P.A. 95-644, eff. 10-12-07; 96-1036, eff. 1-1-11.)

14 (35 ILCS 200/10-625 new)

15 Sec. 10-625. Certification of solar energy device real  
16 property cost basis. Within 60 days after completion of  
17 construction of a solar energy device, the owner of the solar  
18 energy device shall provide documentation to the Department of  
19 Revenue demonstrating the solar energy device real property  
20 cost basis. Solar energy device real property cost basis shall  
21 include the total cost of the solar energy device, not  
22 including any costs of site-selection, site-development, staff  
23 or personnel, or other ancillary costs. Within 60 days of  
24 receiving the documentation from the solar energy device owner,

1 the Department shall certify the solar energy device real  
2 property cost basis to the owner in writing.

3 Section 99. Effective date. This Act takes effect upon  
4 becoming law.