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H.679

Introduced by Representatives Cheney of Norwich, Edwards of Brattleboro,
Jerman of Essex and Masland of Thetford

Referred to Committee on

Date:

Subject: Taxation; renewable energy plants

Statement of purpose: This bill proposes to tax renewable energy plants under
a uniform generation tax rather than under Vermont's property tax system.

An act relating to creating a uniform generation tax for renewable energy
plants

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. 32 V.S.A. chapter 215 is added to read:

CHAPTER 215. RENEWABLE ENERGY

§ 8701. UNIFORM GENERATION TAX

(a) For the purposes of this section, the term "renewable energy" has the same meaning as in 30 V.S.A. § 8002(2), the term "plant" has the same meaning as in 30 V.S.A. § 8002(12), and the term "plant capacity" has the same meaning as in 30 V.S.A. § 8002(13).

(b) There is assessed on any renewable energy plant in Vermont an annual tax of \$4.00 per kilowatt capacity. The tax shall be paid to the department of

1 taxes no later than April 15 of each year, for energy generated in the preceding
2 year, and accompanied by a return with such information as the department of
3 taxes may require. The department of taxes is authorized to promulgate
4 procedures and rules necessary to implement the tax in this section.

5 (c) Renewable energy plants of equal to or less than 10 kilowatt nameplate
6 capacity and farm methane generators of less than 100 kilowatts are exempt
7 from the tax under this section.

8 (d) For each renewable energy plant taxed under this section, the
9 department of taxes shall:

10 (1) determine the municipality in which the renewable energy plant is
11 situated;

12 (2) determine the ratio of the municipal taxes raised in the previous tax
13 year to the education property taxes raised in the previous tax year in the
14 municipality in which the renewable energy plant is located;

15 (3) multiply the tax received from the renewable energy plant by the
16 ratio in subdivision (2) of this subsection;

17 (4) pay an amount equal to the municipal tax portion of the ratio back to
18 the municipality, and pay the remaining amount to the education fund.

19 Sec. 2. 32 V.S.A. § 3802(17) is added to read:

20 (17) Real and personal property composing a renewable energy plant
21 subject to taxation under chapter 215 of this title.

1 Sec. 3. EFFECTIVE DATE

2 This act shall take effect on January 1, 2013 and apply to power generated
3 after that date.