54:4-3.113 et al

LEGISLATIVE HISTORY CHECKLIST

NJSA: **54:4-3.113 et al.** (Solar energy systems--property tax exemption)

LAWS OF: **1983** CHAPTER: **44**

Bill No.: **S339**

Sponsor(s): **Dalton**

Date Introduced: **Pre-filed**

Committee: Assembly: ______________

Senate: **Revenue, Finance and Appropriations**

Amended during passage Yes // **Amendments during passage denoted by asterisks**

Date of Passage: Assembly: **Dec. 16, 1982**

Senate: **Dec. 13, 1982**

Date of Approval: **Jan. 28, 1983**

Following statements are attached if available:

Sponsor statement:		Yes	//
Committee statement:	Assembly	///	No
	Senate	Yes	//
Fiscal Note:		///	No
Veto Message		///	No
Message on Signing:		///	No

Following were printed:

Reports:	///	No
Hearings:	///	No

44 83

1-28-83

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SENATE, No. 339

STATE OF NEW JERSEY

PRE-FILED FOR INTRODUCTION IN THE 1982 SESSION

By Senator DALTON

AN ACT to amend the title of "An act providing for the exemption from taxation of solar energy heating and cooling systems, and supplementing chapter 4 of Title 54 of the Revised Statutes," approved October 11, 1977 (P. L. 1977, c. 256), so that the same shall read "An act providing for the exemption from taxation of solar energy systems, and supplementing chapter 4 of Title 54 of the Revised Statutes," and to amend the body of said act.

BE IT ENACTED *by the Senate and General Assembly of the State of New Jersey:*

1. The title of P. L. 1977, c. 256 (C. 54:4-3.113 et seq.) is amended to read as follows: An Act providing for the exemption from taxation of solar energy **[**heating and cooling**]** systems, and supplementing chapter 4 of Title 54 of the Revised Statutes.

2. Section 1 of P. L. 1977, c. 256 (C. 54:4-3.113) is amended to read as follows:

1. As used in this act:

a. "Solar energy" means energy which has recently originated in the sun, including direct and indirect solar radiation and intermediate solar energy from such as wind and sea thermal gradients;

b. "Solar **[**heating and cooling**]** *energy* system" means any system which uses solar energy to provide all or a portion of the heating, **[**and**]** cooling, *or general energy* needs of a building through, but not limited to, such means as nocturnal heat radiation, evaporation cooling towers, flat plate or focusing solar collectors, photovoltaic solar cells or windmills.

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter printed in italics *thus* is new matter.

Matter enclosed in asterisks or stars has been adopted as follows:

***—Senate committee amendments adopted December 6, 1982.**

c. "Commissioner" means the State Commissioner of Community Affairs.

d. "Enforcing agency" means the enforcing agency in any municipality provided for under the State Uniform Construction Code Act, P. L. 1975, c. 217 (C. 52:27D-119 et seq.) and regulations promulgated thereunder.

e. "Board of appeals" means the municipal or county board provided for under the State Uniform Construction Code Act and regulation promulgated thereunder.

3. Section 2 of P. L. 1977, c. 256 (C. 54:4-3.114) is amended to read as follows:

2. Any solar [heating and cooling] *energy* system installed in any building, whether residential, commercial or industrial, which has been certified by the enforcing agency as a solar [heating or cooling] *energy* system shall be exempt from taxation under the chapter to which this act is a supplement.

4. Section 4 of P. L. 1977, c. 256 (C. 54:4-3.116) is amended to read as follows:

4. The enforcing agency, when requested for any such certification, shall certify a system as being a solar [heating and cooling] *energy* system whenever he finds the equipment, facility, device, or system installed, was designed primarily as a solar [heating or cooling] *energy* system in accordance with regulations prescribed by the commissioner. Said certificate shall contain information identifying the system and the cost thereof and shall be in such form and detail as the Director of the Division of Taxation shall prescribe and, further, said certificate shall be submitted to the applicant therefor with a copy retained on file by the enforcing agency, and a copy thereof shall be sent to the assessor of the taxing district in which such facilities are located and have been installed; and the exemption from taxation for such equipment, facility or device shall become effective for the tax year following the year in which certification has been granted and thereafter during its use primarily for such purposes.

5. Section 5 of P. L. 1977, c. 256 (C. 54:4-3.117) is amended to read as follows:

5. The enforcing agency, after giving notice to the holder of a solar energy certificate may revoke such certificate whenever any of the following appears:

a. The certificate was obtained by fraud or misrepresentation;

b. The claimant for tax exemption has failed substantially to proceed with the construction, reconstruction, installation or acquisition of a solar [heating and cooling] *energy* system;

c. The structure or equipment or both to which the certificate relates has ceased to be used for the primary purpose of providing solar energy and is being used for a different primary purpose;

d. The claimant for tax exemption hereunder has so departed from the equipment, design and construction previously certified by the enforcing agency that, in the opinion of said enforcing agency, the solar **[**heating and cooling**]** *energy* system is not suitable and reasonably adequate for the purpose of providing solar energy.

6. Section 7 of P. L. 1977, c. 256 (C. 54:4-3.119) is amended to read as follows:

7. The owner of real property which is equipped with a certified solar **[**heating and cooling**]** *energy* system may have exempted annually from the assesed valuation of the real property a sum equal to the remainder of the assessed valuation of the real property with the solar **[**heating and cooling**]** *energy* system included, minus the assessed valuation of the real property without the solar **[**heating and cooling**]** *energy* system.

*7. Section 9 of P. L. 1977, c. 256 is amended to read as follows:

9. This act shall take effect January 1, next following enactment, and shall expire on December 31 **[**of the fifth year following enactment**]**, *1987.**

[**7.**] **8.** This act shall take effect immediately.

by the enforcing agency that, in the opinion of said enforcing agency, the solar [heating and cooling] *energy* system is not suitable and reasonably adequate for the purpose of providing solar energy.

6. Section 7 of P. L. 1977, c. 256 (C. 54:4–3.119) is amended to read as follows:

7. The owner of real property which is equipped with a certified solar [heating and cooling] *energy* system may have exempted annually from the assesed valuation of the real property a sum equal to the remainder of the assessed valuation of the real property with the solar [heating and cooling] *energy* system included, minus the assessed valuation of the real property without the solar [heating and cooling] *energy* system.

7. This act shall take effect immediately.

STATEMENT

This bill provides that the property tax exemption currently allowed for solar energy systems which add to the heating and cooling needs of a building will also apply to solar energy systems which contribute to the general energy needs of a building.

This bill would apply most directly to wind mills used in direct mechanical applications or to produce electricity for general use or storage.

S339 (1983)

SENATE REVENUE, FINANCE AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 339

with committee amendments

STATE OF NEW JERSEY

DATED: DECEMBER 6, 1982

This bill provides that property tax exemptions currently permitted for solar heating and cooling systems of a building will apply to solar energy systems generally which contribute to satisfying the overall energy needs of a building.

The committee amended the bill to extend the provision of the original act to December 31, 1987.

FISCAL IMPACT

A fiscal note work sheet indicates the estimated cost of this legislation to be $24,000.00 which would be borne by the municipalities affected.