

54:4-3.113 thru 54:4-3.120

LEGISLATIVE HISTORY CHECKLIST

RJSA 54:4-3.113 to 54:4-3.120 (Solar energy heating and cooling systems--
exempts from property taxation)

LAWS OF 1977 CHAPTER 256

Bill No. A1801

Sponsor(s) Burgio, Dennis, Markert

Date Introduced April 1, 1976

Committee: Assembly Taxation
Senate Revenue, Finance and Appropriations

Amended during passage Yes Amendments during passage denoted by asterisk

Date of Passage: Assembly February 17, 1977

Senate May 23, 1977

Date of approval October 11, 1977

Following statements are attached if available:

Sponsor statement	Yes	<input checked="" type="checkbox"/> Below
Committee Statement: Assembly	Yes	No
Senate	Yes	<input checked="" type="checkbox"/>
Fiscal Note	Yes	No
Veto Message	Yes	No
Message on signing	Yes	<input checked="" type="checkbox"/>

Following were printed:

Reports	Yes	No
Hearings	Yes	No

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Sponsor's Statement:

The purpose of this legislation is to provide an incentive for the utilization of solar energy for heating and cooling systems. The energy crisis which has been foisted upon the people of this State has created a demand for the expanded use of alternate forms of energies.

9/1/73

[THIRD OFFICIAL COPY REPRINT]

ASSEMBLY, No. 1801

STATE OF NEW JERSEY

INTRODUCED APRIL 1, 1976

By Assemblywoman BURGIO, Assemblymen DENNIS
and MARKERT

Referred to Committee on Taxation

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.

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

1 1. As used in this act:

2 a. "Solar energy" means energy which has recently originated
3 in the Sun, including direct and indirect solar radiation and inter-
4 mediate solar energy from such as wind*[,] *and* sea thermal
5 gradients*[,] *;* * [products of photosynthetic processes, organic
5A waste, and others;]*

6 b. "Solar heating and cooling ***[systems]" mean*** ***sys-
7 tem" means*** any ***[systems]*** ***system*** which
8 ***[use]*** ***uses*** solar energy to provide all or a portion of
9 the heating and cooling needs of a building through, but not limited
10 to, such means as nocturnal heat radiation, evaporation cooling
11 towers, flat plate or focusing solar collectors, * [absorption
12 refrigeration,]* photovoltaic solar cells or windmills.

13 *c. "Commissioner" means the State Commissioner of
14 ***[Environmental Protection]*** * ***Community Affairs***.

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

19 e. "Board of appeals" means the municipal or county board
20 provided for under the State Uniform Construction Code Act and
21 regulations promulgated thereunder.***

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

1 2. Any solar *****[energy]***** heating and cooling system in-
 2 stalled in any building, whether residential, commercial or
 3 industrial, which has been certified by the ***[assessor of the**
 4 **respective taxing district]*** *****[*State Commissioner of Environ-**
 5 **mental Protection]****** *****enforcing agency***** as *****[an**
 6 **energy]***** *****a solar***** heating or cooling system shall be exempt
 7 from taxation under the chapter to which this act is a supplement.

1 3. No certification shall be made by ***[any assessor]*** ***the**
 2 *****[State Commissioner of Environmental Protection]******
 3 *****enforcing agency***** as provided herein, except upon written
 4 application herefore, which application shall be made under oath
 5 on a form prescribed by the Director, Division of Taxation, in
 6 the Department of the Treasury, and provided for the use of
 7 claimant hereunder by *****[the governing body of the municipality**
 8 **constituting the taxing district in which such claim is to be filed**
 9 **and the application has been approved as provided in this act]*****
 10 *****the local enforcing agency*****. ***[Each assessor]*** ***The**
 11 *****[commissioner]****** *****enforcing agency***** may at any time
 12 inquire into the right of a claimant to the exemption hereunder
 13 and for that purpose he may require the filing of a new application
 14 or the submission of such proof as he shall deem necessary to
 15 determine the right of the claimant to the continuance of such
 16 exemption, and the ***[assessor]*** *****[*commissioner]******
 17 *****enforcing agency***** shall have the right to make an inspection
 18 of the premises which are the subject of the claim for exemption
 19 under this act. *****[Such application shall be filed with the**
 20 ***[assessor]*** ***commissioner*** on or before the thirtieth day, includ-
 21 ing Saturdays and Sundays, following the completion of the
 22 system.]***

1 4. The ***[assessor of a taxing district]*** *****[*commissioner]******
 2 *****enforcing agency*****, when requested for any such certification,
 3 shall certify a system as being a solar *****[energy]***** heating
 4 *****[or]***** *****and***** cooling system whenever he finds the equip-
 5 ment, facility, device, or system installed, was designed primarily
 6 as a solar heating or cooling system *****in accordance with regula-**
 7 **tions prescribed by the commissioner*****. Said certificate shall
 8 contain information identifying the system and the cost thereof
 9 and shall be in such form and detail as the Director of the Division
 10 of Taxation shall prescribe and, further, said certificate shall be
 11 submitted to the applicant therefor with a copy retained on file by
 12 the *****[*commissioner]****** *****enforcing agency*****, and a copy
 13 thereof shall be sent to the ***assessor of the taxing district in which**
 14 such facilities are located and have been installed; and the exemp-

15 tion from taxation for such equipment, facility or device shall
 16 become effective for the tax year following the year in which
 17 certification has been granted and thereafter during its use
 18 primarily for such purposes.

1 5. The ***[assessor of a taxing district]*** *****[*commissioner]***
 2 *****enforcing agency*****, after giving notice to the holder of a solar
 3 energy certificate *****[and giving said holder an opportunity for**
 4 **a hearing,]***** may revoke such certificate whenever any of the
 4A following appears:

5 a. The certificate was obtained by fraud or misrepresentation;

6 b. The claimant for tax exemption has failed substantially to
 7 proceed with the construction, reconstruction, installation or ac-
 8 quisition of a solar heating *****[or]***** *****and***** cooling system;

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

12 d. The claimant for tax exemption hereunder has so departed
 13 from the equipment, design and construction previously certified
 14 by the ***[assessor]*** *****[*commissioner]********** *****enforcing**
 15 **agency***** that, in the opinion of said ***[assessor]*** *****[*commis-**
 16 **sioner]**********, *****enforcing agency***** the solar *****heating and cool-**
 17 **ing***** system is not suitable and reasonably adequate for the
 18 purpose of providing solar energy.

1 *****6. a. Any person aggrieved by any action of the enforcing**
 2 **agency may seek review before the board of appeals.**

3 **b. Any person aggrieved by any action of the assessor or of the**
 4 **Director of the Division of Taxation may seek a review before the**
 5 **Director of the Division of Taxation pursuant to the Administrative**
 6 **Procedure Act, P. L. 1968, c. 410 (C. 52:14B-1 et seq.).*****

1 *****[6.]***** *****7.***** The owner of real property which is
 2 equipped with a certified solar *****[energy]***** heating *****[or]*****
 3 *****and***** cooling system may have exempted annually from the
 4 assessed valuation of the real property a sum equal to the remainder
 5 of the assessed valuation of the real property with the solar
 6 heating and cooling system included, minus the assessed valuation
 7 of the real property without the *****solar heating and cooling*****
 8 system.

1 *****[7.]***** *****8.***** Subject to the "Administrative Procedure
 2 Act" P. L. 1968, c. 410 (C. 52:14B-1 et seq.), the Director of the
 3 Division of Taxation is authorized to adopt all rules and regula-
 4 tions necessary *****[to effectuate the purposes of this act]*****
 5 *****for the proper certification of any tax exemption, the form of**

6 *any certificate to be issued and any other matter related to the*
7 *exemption. The Administrator of the State Energy Office shall*
8 *establish standards with respect to the technical sufficiency of solar*
9 *energy systems for purposes of qualification for exemption***.*

1 ****[8.]*** ***9.*** This act shall take effect January 1, next*
2 *following enactment**, and shall expire on December 31 of the fifth*
3 *year following enactment**.*

REFERENCE USE ONLY

SENATE REVENUE, FINANCE AND
APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1801

[SECOND OFFICIAL COPY REPRINT]

STATE OF NEW JERSEY

DATED: MAY 5, 1977

This bill proposes an exemption from taxation of solar energy heating and cooling systems. The exemption would apply to any solar heating and cooling system certified as such by the Commissioner, Department of Environmental Protection, installed in any structure, whether residential, commercial or industrial.

The value of the exemption is the value of the property with the solar heating and cooling system included, minus the value of the property without the system.

COMMITTEE AMENDMENTS:

Upon the recommendation of the State Energy Office, committee amendments shift the responsibility for enforcement of the act from the Department of Environmental Protection to the Department of Community Affairs, thus allowing those agencies responsible for the Statewide Building Code to certify solar equipment for purposes of the exemption from real property taxation. Further, standards with respect to the technical sufficiency of solar energy systems for purposes of qualification for exemption, are to be promulgated by the Administrator of the State Energy Office.

FROM THE OFFICE OF THE GOVERNOR

OCTOBER 11, 1977

FOR FURTHER INFORMATION

FOR IMMEDIATE RELEASE

BEN BOROWSKY

Governor Brendan Byrne participated in an energy "doubleheader" ceremony today at Northern Burlington County Regional High School in Columbus.

The Governor signed A-1801 into law. This bill, sponsored by Assemblywoman Jane Burgio (R-25th District), provides for the exemption of solar energy heating and cooling systems from the property tax.

In the second half of the ceremony, Byrne signed a proclamation, naming November as "Energy Conservation Month."

The ceremony was held at Northern Burlington County Regional High School in recognition of the completion of the first solar-assisted greenhouse on the East Coast. The facility was constructed on the school grounds by a group of students, who received a combination of Federal and State vocational funds, made available through the State Department of Education. CETA funds were also made available.

Actually, two greenhouses were built. An 80' by 30' greenhouse is climatically controlled by normal methods. An adjacent greenhouse of the same size is equipped with a solar energy collector, 80-feet long, designed to collect the necessary heat to control greenhouse temperature.

Cook College of Rutgers University assisted with engineering consultation.

"It is most appropriate," Governor Byrne said, "that this bill and proclamation, both dealing with energy conservation, be signed at this location. The students of Northern Burlington County Regional High School have demonstrated to us how solar energy can be used in a very unique fashion."

The bill, which goes into effect January 1, will expire in five years. "It is intended to provide an incentive to the development of the solar energy

The value of the property tax exemption is to be calculated by the value of the property with the solar heating and cooling system included, minus the value of the property without the system.

The State Energy Department will establish standards with respect to the technical sufficiency of solar energy systems to qualify for the exemption.

Joining the Governor for the ceremony were three members of his cabinet who were interested in the students' project: Dr. Fred G. Burke, (Education); Joel Jacobson, (Energy); and Rocco Ricci, (Environmental Protection).

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