

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 506

BY REVENUE AND TAXATION COMMITTEE

AN ACT

1 RELATING TO EXEMPTIONS FROM PROPERTY TAXATION; AMENDING SECTION 63-602JJ,
2 IDAHO CODE, TO PROVIDE THAT PROPERTY MUST ACTUALLY BE USED IN THE ACTUAL
3 PRODUCTION OF ELECTRICITY OR BE A SUBSTATION TO RECEIVE THE EXEMPTION
4 FROM TAXATION FOR CERTAIN PRODUCERS OF ELECTRICITY, TO PROVIDE BUILD-
5 INGS OR STRUCTURES ON THE PROPERTY WHERE ELECTRICITY IS NOT ACTUALLY
6 PRODUCED OR IS NOT A SUBSTATION SHALL NOT QUALIFY FOR THE EXEMPTION AND
7 TO PROVIDE NO PERSONAL PROPERTY SHALL BE EXEMPT FROM TAXATION BECAUSE OF
8 THIS SECTION UNLESS IT IS EXEMPT FROM TAXATION AS OTHERWISE PROVIDED BY
9 LAW; DECLARING AN EMERGENCY AND PROVIDING RETROACTIVE APPLICATION.
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11 Be It Enacted by the Legislature of the State of Idaho:

12 SECTION 1. That Section 63-602JJ, Idaho Code, be, and the same is hereby
13 amended to read as follows:

14 63-602JJ. PROPERTY EXEMPT FROM TAXATION -- CERTAIN OPERATING PROPERTY
15 OF PRODUCER OF ELECTRICITY BY MEANS OF WIND ENERGY OR BY MEANS OF GEOTHER-
16 MAL ENERGY. The following real property is exempt from taxation: (i) operat-
17 ing property of producers of electricity by means of wind energy exclusively
18 used to produce electricity by means of wind energy on which the tax on gross
19 wind energy earnings will be paid; and (ii) operating property of produc-
20 ers of electricity by means of geothermal energy exclusively used to produce
21 electricity by means of geothermal energy on which the tax on gross geother-
22 mal energy earnings will be paid. To receive the exemption pursuant to this
23 section, the property must actually be used in the actual production of elec-
24 tricity or be a substation. Buildings or structures on the property where
25 electricity is not actually produced or is not a substation shall not qualify
26 for the exemption provided for in this section. No personal property shall
27 be exempt from taxation because of this section unless it is exempt from tax-
28 ation as otherwise provided by law.

29 SECTION 2. An emergency existing therefor, which emergency is hereby
30 declared to exist, this act shall be in full force and effect on and after its
31 passage and approval, and retroactively to January 1, 2014.