

Committee on Communications, Energy, And Public Utilities

CS/SB 90 — Renewable Energy Source Devices

by Community Affairs Committee and Senators Brandes, Stewart, and Gibson

The bill implements the renewable energy tax exemption constitutional amendment. It limits the exemption from real property taxes for nonresidential real property to 80 percent of the just value of the property attributable to a renewable energy source device. It applies the real property tax exemption prospectively only.

The bill also exempts 80 percent of the assessed value of a renewable energy source device from tangible personal property tax for all applicants, residential and nonresidential. The exemption is prospective only, with two exceptions:

- A device installed to supply a municipal electric utility located entirely within a consolidated government; or
- A device installed after August 30, 2016, on municipal land as part of a project incorporating other renewable energy source devices under common ownership on municipal land for the sole purpose of supplying a municipal electric utility with at least 2 megawatts and no more than 5 megawatts of alternating current power when the renewable energy source devices in the project are used together.

The bill creates an exception from both tax exemptions for a device installed as part of a project planned for a location in a fiscally constrained county for which an application for a comprehensive plan amendment or planned unit development zoning has been filed with the county on or before December 31, 2017.

Notwithstanding these provisions, 80 percent of the assessed value of a renewable energy source device which is affixed to property owned or leased by the U.S. Department of Defense for the military is exempt from ad valorem taxation, including, but not limited to, the tangible personal property tax.

All of these provisions expire on December 31, 2037.

The bill also creates distributed energy generation system sales provisions for systems that are leased or sold pursuant to a retail installment contract, including the following:

- A seller who installs a distributed energy generation system must comply with applicable safety standards established by the Department of Business and Professional Regulation pursuant to ch. 489 and part IV of ch. 553, F.S.
- Each agreement governing the sale or lease of a distributed energy system must include specified disclosures, including disclosures.
- The Department of Business and Professional Regulation is required to adopt rules to implement and enforce these provisions, including creation of standard disclosure forms.
- Any seller who willfully and intentionally violates any of these provisions commits a noncriminal violation, punishable by a fine not to exceed the cost of the system.
- These provisions do not apply to:

- A person or company that markets, sells, or enters into an agreement for the sale or financing of a distributed energy generation system as part of a transaction involving the sale or transfer of the real property on which the system is or will be affixed.
- A transaction involving the sale or transfer of the real property on which a distributed energy generation system is located.
- A third party, including a local government, that enters into an agreement for the financing of a distributed energy generation system.
- The sale or lease of a distributed energy generation system that will be installed on nonresidential real property.
- The sale of a distributed energy generation system pursuant to an agreement that requires full payment of the system from the buyer to the seller no later than the date the system is installed by the seller or is delivered from the seller to the buyer or a third party for installation.
- A person, other than the seller or lessor, who installs a distributed energy generation system on residential property.

If approved by the Governor, these provisions take effect July 1, 2017.

Vote: Senate 33-0; House 118-0