



City of Richmond

900 East Broad Street
2nd Floor of City Hall
Richmond, VA 23219
www.rva.gov

Legislation Text

File #: ORD. 2019-155, **Version:** 1

To amend City Code § 26-518, concerning the tax exemption for certified pollution control equipment, for the purpose of reflecting amendments to Va. Code § 58.1-3660.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That section 26-518 of the Code of the City of Richmond (2015) be and hereby is **amended** as follows:

Sec. 26-518. Exemption from taxation.

(a) The following words, terms and phrases, when used in this section, shall have the meanings ascribed to them in this subsection, except where the context clearly indicates a different meaning:

Certified pollution control equipment, facilities and property means property, including real or personal property, equipment, facilities, or devices used primarily for the purpose of abating or preventing pollution of the atmosphere or waters of the Commonwealth and which the State-certifying authority having jurisdiction with respect to such property has certified to the Department of Taxation as having been constructed, reconstructed, erected, or acquired in conformity with the State program or requirements for abatement or control of water or atmospheric pollution or contamination. Such property shall include, but is not limited to, any equipment used to grind, chip, or mulch trees, tree stumps, underbrush, and other vegetative cover for reuse as mulch, compost, landfill gas, synthetic or natural gas recovered from waste or other fuel, and equipment used in collecting, processing, and distributing, or generating electricity from, landfill gas or synthetic or natural gas recovered from waste, whether or not such property has been certified to the Department of Taxation by a State certifying authority. Such property shall also include solar energy equipment, facilities or devices owned or operated by a business that collects, generates, transfers, or stores thermal or electric energy,

whether or not such property has been certified to the Department of Taxation by a State certifying authority. [Such property] For pollution control equipment and facilities certified by the Virginia Department of Health, this exemption applies only to onsite sewage systems that serve ten or more households, use nitrogen-reducing processes and technology, and are constructed, wholly or partially, with public funds. All such property as described in this definition shall not include the land on which such equipment or facilities are located.

State-certifying authority means the State Water Control Board or the Virginia Department of Health for water pollution; the State Air Pollution Control Board for air pollution; the Department of Mines, Minerals and Energy for solar energy projects and for coal, oil and gas production, including gas, natural gas and coalbed methane gas; the Virginia Waste Management Board for waste disposal facilities, natural gas recovered from waste facilities and landfill gas production facilities; and includes any interstate agency authorized to act in place of a certifying authority of the Commonwealth.

(b) Certified pollution control equipment, facilities and property are hereby declared to be a separate class of property and shall constitute a classification for local taxation separate from other such classifications of real or personal property, and such property shall be exempt from local taxation. For solar photovoltaic or electric energy systems, the exemption provided for by this subsection shall apply only to (i) projects equaling 20 megawatts or less, as measured in alternating current generation capacity, for which an initial interconnection request form has been filed with an electric utility or a regional transmission organization on or before December 31, 2018, (ii) projects equaling 20 megawatts or less, as measured in alternating current generation capacity, that serve any of the public institutions of higher education listed in the Code of Virginia, § 23.1-100 or private college as defined in Code of Virginia, § 23.1-105; (iii) 80 percent of the assessed value of projects for which an initial interconnection request form has been filed with an electric utility or a regional transmission organization after January 1, 2015, and greater than 20 megawatts, as measured in alternating current generation capacity, for projects first in service on or after January 1, 2017, (iv) projects equaling five

megawatts or less, as measured in alternating current generation capacity, for which an initial interconnection request form has been filed with an electric utility or a regional transmission organization on or after January 1, 2019, and (v) 80 percent of the assessed value of all other projects equaling more than five megawatts, as measured in alternating current generation capacity for which an initial interconnection request form has been filed with an electric utility or a regional transmission organization on or after January 1, 2019. The exemption for solar photovoltaic (electric energy) projects greater than 20 megawatts, as measured in alternating current generation capacity, shall not apply to projects upon which construction begins after January 1, 2024. Except as otherwise explicitly provided under Title 58.1, Chapter 36, Article 5 of the Code of Virginia, as to any real or personal property, machinery, equipment, facilities, devices, or real estate improvements required to be certified by a state or local certifying authority for tax exemption under Title 58.1, Chapter 36, Article 5 of the Code of Virginia, once the required certification is made, such property shall be deemed exempt as of the date the property is placed in service. Nothing in this section shall be interpreted or construed as extending any limitations period under law for applying for correction of an assessment or otherwise appealing an assessment.

§ 2. This ordinance shall be in force and effect upon adoption.