

## CONSTITUTIONAL AMENDMENT

August, 2016

### **4. Solar Devices or Renewable Energy Source Devices; Exemption from Certain Taxation and Assessment**

Authorizes Legislature to, by statute, exempt from ad valorem taxation the assessed value of solar or renewable energy devices subject to tangible personal property tax (primarily on businesses) and to prohibit consideration of such devices by the Property Appraiser in assessing the value of that business real property for ad valorem purposes.

#### ***Arguments for:***

- Renewable energy resources placed on residential real property are currently exempt from property tax. Business-owned personal or tangible property taxes currently must be paid on renewable energy devices located on their business real property. Fairness says renewable resource devices should not be included in assessed valuation of property regardless of what kind of building they are on.
- Potentially encourages businesses to invest in renewable energy devices, reducing demand for carbon-based fuels.
- Potentially increases the value and marketability of business properties since energy costs are lower when renewable energy devices are utilized.

#### ***Arguments against:***

- Expands yet another tax break to another specific category of property owners.
- We already have a myriad of specific property tax exemptions, developed as each special interest group approaches the Legislature to place an exemption on the ballot and as 60% of the people vote for it.
- Reduces revenue to city and county governments (ad valorem taxes are available only to local governments, not the state).
- Everyone else will have to pay increased taxes to make up for the loss in taxable value.

League of Women Voters of Marion County  
July 11, 2016