

By: Bohac

H.B. No. 2500

A BILL TO BE ENTITLED

AN ACT

relating to the appraisal for ad valorem tax purposes of solar energy property.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter B, Chapter 23, Tax Code, is amended by adding Section 23.26 to read as follows:

Sec. 23.26. SOLAR ENERGY PROPERTY. (a) In this section, "solar energy property" has the meaning assigned to "solar energy device" by Section 11.27(c)(1) and includes commercial storage devices, power conditioning equipment, transfer equipment, and necessary parts for the devices and equipment.

(b) The chief appraiser shall use the cost method of appraisal to determine the market value of solar energy property.

(c) To determine the market value of solar energy property using the cost method of appraisal, the chief appraiser shall:

(1) use cost data obtained from generally accepted sources;

(2) make any appropriate adjustment for physical, functional, or economic obsolescence; and

(3) calculate the depreciated value of the property by using a useful life that does not exceed five years.

SECTION 2. This Act applies only to an ad valorem tax year that begins on or after the effective date of this Act.

SECTION 3. This Act takes effect January 1, 2014.