

**SB3463**



**101ST GENERAL ASSEMBLY**

**State of Illinois**

**2019 and 2020**

**SB3463**

Introduced 2/14/2020, by Sen. David Koehler

**SYNOPSIS AS INTRODUCED:**

35 ILCS 200/10-720

Amends the Property Tax Code. Provides that the valuation procedures for commercial solar energy systems apply regardless of whether the owner of the device or devices is also the owner or occupant of the property.

LRB101 20233 HLH 69773 b

FISCAL NOTE ACT  
MAY APPLY

HOUSING  
AFFORDABILITY  
IMPACT NOTE ACT  
MAY APPLY

**A BILL FOR**

1 AN ACT concerning revenue.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The Property Tax Code is amended by changing  
5 Section 10-720 as follows:

6 (35 ILCS 200/10-720)

7 Sec. 10-720. Definitions. For the purpose of this Division  
8 20:

9 "Allowance for physical depreciation" means (i) the actual  
10 age in years of the commercial solar energy system on the  
11 assessment date divided by 25 years, multiplied by (ii) its  
12 trended real property cost basis. The physical depreciation,  
13 however, may not reduce the value of the commercial solar  
14 energy system to less than 30% of its trended real property  
15 cost basis.

16 "Commercial solar energy system" means any device or  
17 assembly of devices that (i) is ground installed and (ii) uses  
18 solar energy from the sun for generating electricity for the  
19 primary purpose of wholesale or retail sale and not primarily  
20 for consumption by the property's owner or occupant on the  
21 property on which the device or devices reside, regardless of  
22 whether the owner of the device or devices is also the owner or  
23 occupant of the property.

1 "Commercial solar energy system real property cost basis"  
2 means the owner of a commercial solar energy system's interest  
3 in the land within the project boundaries and real property  
4 improvements and shall be calculated at \$218,000 per megawatt  
5 of nameplate capacity. For the purposes of this Section,  
6 "nameplate capacity" has the same definition as found in  
7 Section 1-10 of the Illinois Power Agency Act.

8 "Ground installed" means the installation of a commercial  
9 solar energy system, with the primary purpose of solar energy  
10 generation for wholesale or retail sale, on a parcel or tract  
11 of land.

12 "Trended real property cost basis" means the commercial  
13 solar energy system real property cost basis multiplied by the  
14 trending factor.

15 "Trending factor" means a number equal to the Consumer  
16 Price Index (U.S. city average all items) published by the  
17 Bureau of Labor Statistics for the December immediately  
18 preceding the assessment date, divided by the Consumer Price  
19 Index (U.S. city average all items) published by the Bureau of  
20 Labor Statistics for December of 2017.

21 (Source: P.A. 100-781, eff. 8-10-18.)