

**First Regular Session
Seventy-second General Assembly
STATE OF COLORADO**

INTRODUCED

LLS NO. 19-0794.01 Jason Gelender x4330

HOUSE BILL 19-1165

HOUSE SPONSORSHIP

Pelton, Bockenfeld, Buentello, Atndt

SENATE SPONSORSHIP

Donovan and Hisey,

House Committees

Energy & Environment
Finance
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A BILL FOR AN ACT

101 **CONCERNING AN EXEMPTION FROM PROPERTY TAX FOR BUSINESS**
102 **PERSONAL PROPERTY USED TO MANUFACTURE WIND TURBINES**
103 **OR COMPONENTS OF WIND TURBINES AT THE SITE WHERE THE**
104 **WIND TURBINES WILL BE PLACED INTO SERVICE.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

For property tax years commencing on or after January 1, 2020, but before January 1, 2030, the bill exempts from property tax business personal property used to manufacture wind turbines or components of

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

wind turbines at the site where the wind turbines will be placed into service.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1. Legislative declaration.** (1) The general assembly
3 hereby finds and declares that:

4 (a) Tall wind turbines capture more wind energy and produce
5 more electricity than shorter wind turbines because wind speed increases
6 at greater heights;

7 (b) As the height of the tower of a wind turbine increases, the
8 diameter of the tower must also increase to give the tower sufficient
9 structural strength to safely support the wind turbine;

10 (c) Until recently, physical limits on the diameter of wind turbine
11 towers that can be transported over state highways have limited the height
12 of wind turbines placed into service at Colorado wind farms;

13 (d) New technology that allows wind turbine towers to be
14 manufactured at the site where wind turbines will be placed into service
15 allows taller wind turbines that produce more electricity and are worth
16 more money to be placed into service at Colorado wind farms; and

17 (e) In order to allow Colorado wind farms to produce more
18 electricity, earn more money, and provide larger amounts of property tax
19 and land lease revenue to taxing jurisdictions and landowners for the
20 duration of the operating lives of the wind farms, it is necessary,
21 appropriate, and in the best interest of the state to encourage the on-site
22 manufacture of wind turbine towers at Colorado wind farms by
23 temporarily exempting from property taxation for ten years business
24 personal property used to manufacture wind turbines and components of
25 wind turbines at the site where the turbines will be placed into service.

1 (2) The general assembly further finds and declares that:

2 (a) Section 6 of article X of the state constitution generally
3 prohibits the state from enacting laws that exempt from property taxation
4 property that is not specifically identified in article X of the state
5 constitution;

6 (b) Section 20 (8)(b) of article X of the state constitution provides
7 an exception to the prohibition set forth in section 6 of article X of the
8 state constitution by authorizing the state to enact uniform exemptions to
9 reduce or end business personal property taxes; and

10 (c) A temporary statewide property tax exemption for business
11 personal property used to manufacture wind turbines or components of
12 wind turbines at the site where the wind turbines will be placed into
13 service is a uniform exemption to reduce business personal property taxes
14 for purposes of section 20 (8)(b) of article X of the state constitution.

15 **SECTION 2.** In Colorado Revised Statutes, **add** 39-3-138 as
16 follows:

17 **39-3-138. Business personal property used for on-site**
18 **manufacturing of wind turbines - exemption.** FOR PROPERTY TAX
19 YEARS BEGINNING ON OR AFTER JANUARY 1, 2020, BUT BEFORE JANUARY
20 1, 2030, ALL BUSINESS PERSONAL PROPERTY USED TO MANUFACTURE WIND
21 TURBINES OR COMPONENTS OF WIND TURBINES AT THE SITE WHERE THE
22 WIND TURBINES WILL BE PUT INTO SERVICE IS EXEMPT FROM THE LEVY AND
23 COLLECTION OF PROPERTY TAX SO LONG AS THE PROPERTY IS USED
24 EXCLUSIVELY FOR THAT PURPOSE.

25 **SECTION 3. Act subject to petition - effective date.** This act
26 takes effect at 12:01 a.m. on the day following the expiration of the
27 ninety-day period after final adjournment of the general assembly (August

1 2, 2019, if adjournment sine die is on May 3, 2019); except that, if a
2 referendum petition is filed pursuant to section 1 (3) of article V of the
3 state constitution against this act or an item, section, or part of this act
4 within such period, then the act, item, section, or part will not take effect
5 unless approved by the people at the general election to be held in
6 November 2020 and, in such case, will take effect on the date of the
7 official declaration of the vote thereon by the governor.