

93rd Arkansas General Assembly/Renewable Energy Equipment: Proposed Legislation Addressing Property Tax Valuation



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The 93rd Arkansas General Assembly convened for regular session on January 11th.

House Bill 1751 (HB1751) would provide a definition of “renewable energy equipment” for property tax valuation purposes.

The legislation was introduced by Representative Ennett.

The legislation contains a set of findings and intent (“Findings and Intent”) describing the benefits of electricity generation from renewable sources. It also argues that surrounding states have:

. . . specified methods and procedures similar to those in this act for valuation of renewable energy equipment to ensure fairness in determining valuation for taxation purposes . . .

The legislation advocates for the need to:

. . . ascertain, clarify, and make fair, equal, and uniform throughout the state the methods and procedures for valuation of renewable energy equipment for taxation purposes.

This need is stated to be driven by homeowners’ use of such information to determine the financial impact of utilizing renewable energy to identify all revenue and cost over the lifetime of the project.

HB1751 amends Ark. Code Ann. Title 26, Chapter 26, Subchapter 11 to provide a definition for renewable energy equipment which would include:

. . . equipment that harvests solar, wind, or other forms of renewable energy to produce a maximum peak output of twenty megawatts (20 MW) AC nameplate capacity.

Such equipment would also be defined to include all physical components of the installation including without limitation mounting fixtures and hardware.

The bill spells out how renewable energy equipment would be taxed and depreciated for taxation purposes.

The bill has been referred to the Joint Energy Committee.

A copy of HB1751 can be downloaded [here](#).