

COMMITTEE ON COMMERCE, ENERGY AND MILITARY

SENATE AMENDMENTS TO H.B. 2403

(Reference to House engrossed bill)

1 Strike everything after the enacting clause and insert:

2 "Section 1. Section 42-14155, Arizona Revised Statutes, is amended to
3 read:

4 42-14155. Valuation of renewable energy equipment: definitions

5 A. Through December 31, 2040, the department shall determine the
6 ~~valuation~~ FULL CASH VALUE of taxable renewable energy equipment in the manner
7 prescribed by this section.

8 B. The FULL CASH value of renewable energy equipment is twenty per
9 cent of the depreciated cost of the equipment. DEPRECIATED COST SHALL BE
10 DETERMINED BY DEDUCTING DEPRECIATION FROM TAXABLE ORIGINAL COST.

11 C. For the purposes of this section, ~~—~~:

12 1. "DEPRECIATION" MEANS STRAIGHT-LINE DEPRECIATION OVER THE USEFUL
13 LIFE, AS ADOPTED BY THE DEPARTMENT, OF THE ITEM OF PROPERTY. DEPRECIATION
14 SHALL NOT EXCEED NINETY PER CENT OF THE ADJUSTED ORIGINAL COST.

15 2. "ORIGINAL COST" MEANS THE ACTUAL COST, WITHOUT TRENDING, OF
16 ACQUIRING OR CONSTRUCTING PROPERTY, INCLUDING ADDITIONS, RETIREMENTS,
17 ADJUSTMENTS AND TRANSFERS.

18 3. "Renewable energy equipment" means electric generation facilities,
19 electric transmission, electric distribution, gas distribution or combination
20 gas and electric transmission and distribution and transmission and
21 distribution cooperative property that is located in this state, that is used
22 or useful for the generation, storage, transmission or distribution of
23 electric power, energy or fuel derived from solar, wind or other nonpetroleum
24 renewable sources not intended for self-consumption, including materials and
25 supplies and construction work in progress, but excluding licensed vehicles
26 and property valued under sections 42-14154 and 42-14156.

1 4. "TAXABLE ORIGINAL COST" MEANS ORIGINAL COST, AS DEFINED IN THIS
2 SECTION, REDUCED BY THE VALUE OF ANY INVESTMENT TAX CREDITS, PRODUCTION TAX
3 CREDITS OR CASH GRANTS IN LIEU OF INVESTMENT TAX CREDITS APPLICABLE TO THE
4 TAXABLE RENEWABLE ENERGY EQUIPMENT."
5 Amend title to conform

3/14/14
9:29 AM
S: JT/TL/ljs