

**CHAPTER 327**  
**HB 464 - FINAL VERSION**

20Mar2019... 0804h  
05/23/2019 1967s  
27Jun2019... 2624-CofC  
27Jun2019... 2674-EBA

2019 SESSION

19-0563  
06/05

HOUSE BILL                    **464**

AN ACT                    relative to the definitions of solar energy systems and wind-powered energy systems for assessed value of real estate exemptions and enabling municipalities to adopt a property tax exemption for electric energy storage systems.

SPONSORS:            Rep. Carson, Merr. 7; Rep. Oxenham, Sull. 1; Sen. Watters, Dist 4

COMMITTEE:          Science, Technology and Energy

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AMENDED ANALYSIS

This bill changes the definitions of solar energy systems and wind-powered energy systems for purposes of determining assessed value for real estate exemptions. The bill also allows cities and towns to adopt a property tax exemption for electric energy storage systems.

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Explanation:          Matter added to current law appears in ***bold italics***.  
                         Matter removed from current law appears ~~[in brackets and struckthrough]~~  
                         Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

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STATE OF NEW HAMPSHIRE

*In the Year of Our Lord Two Thousand Nineteen*

AN ACT                    relative to the definitions of solar energy systems and wind-powered energy systems for assessed value of real estate exemptions and enabling municipalities to adopt a property tax exemption for electric energy storage systems.

*Be it Enacted by the Senate and House of Representatives in General Court convened:*

1            327:1 Solar Energy Systems; Definition. RSA 72:61 is repealed and reenacted to read as follows:

2            72:61 Definition of Solar Energy Systems.

3            I. For purposes of an exemption under RSA 72:62 adopted before January 1, 2020, in this  
4 subdivision "solar energy system" means a system which utilizes solar energy to heat or cool the  
5 interior of a building or to heat water for use in a building and which includes one or more collectors  
6 and a storage container. "Solar energy system" also means a system which provides electricity for a  
7 building by the use of photovoltaic panels.

8            II. In a municipality that adopts or re-adopts the exemption under RSA 72:62 on or after  
9 January 1, 2020, "solar energy system" means, in addition to the definition in paragraph I, a system  
10 which utilizes solar energy to produce electricity for a building and includes all photovoltaics,  
11 inverters, and storage. Systems may be off grid or connected to the grid in a net metered or group  
12 net metered arrangement pursuant to RSA 362-A:9 or in a direct retail sale arrangement pursuant  
13 to RSA 362-A:2-a.

14           327:2 Wind-Powered Energy Systems; Definition. RSA 72:65 is repealed and reenacted to read  
15 as follows:

16           72:65 Definition of Wind-Powered Energy System.

17           I. For purposes of an exemption under RSA 72:66 adopted before January 1, 2020, in this  
18 subdivision "wind-powered energy system" means any wind-powered devices which supplement or  
19 replace electrical power supplied to households or businesses at the immediate site.

20           II. In a municipality that adopts or re-adopts the exemption under RSA 72:66 on or after  
21 January 1, 2020, "wind-powered energy system" means a system that utilizes wind power to produce  
22 electricity for a building and includes all wind-powered devices, inverters, and storage. Systems may  
23 be off grid or connected to the grid in a net metered or group net metered arrangement pursuant to  
24 RSA 362-A:9 or in a direct retail sale arrangement pursuant to RSA 362-A:2-a.

25           327:3 Procedure for Adoption of Property Tax Exemption. Amend the introductory paragraph of  
26 RSA 72:27-a, I to read as follows:

27           I. Any town or city may adopt the provisions of RSA 72:28, RSA 72:28-b, RSA 72:29-a, RSA

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1 72:35, RSA 72:37, RSA 72:37-b, RSA 72:38-b, RSA 72:39-a, RSA 72:62, RSA 72:66, RSA 72:70, RSA  
2 72:76, ~~or~~ RSA 72:82, **or RSA 72:85** in the following manner:

3 327:4 New Subdivision; Electric Energy Storage Systems Exemption. Amend RSA 72 by  
4 inserting after section 83 the following new subdivision:

5 Electric Energy Storage Systems Exemption

6 72:84 Electric Energy Storage System; Definition. In this subdivision "electric energy storage  
7 system" means a facility located behind a retail meter that stores electrical energy that is otherwise  
8 produced by an electricity generator or uses electricity to concentrate and store thermal energy, by  
9 electrical, chemical, mechanical, or thermal means, for discharge or use at a later time, whether in  
10 the form of thermal energy to meet space or process heating or cooling loads or electricity, which can  
11 be used to reduce peak loads, compensate for variability in renewable energy production, or provide  
12 other grid services, and which does not participate in any wholesale energy markets administered by  
13 ISO New England as a registered asset or otherwise. An electric energy storage system shall not  
14 include conventional electric resistance or gas domestic hot water heaters.

15 72:85 Exemption for Electric Energy Storage Systems. A city or town may adopt an exemption  
16 under RSA 72:27-a from the assessed value for property tax purposes, for persons owning real  
17 property which is equipped with an electrical energy storage system.

18 72:86 Application for Exemption. Applications for exemptions under RSA 72:85 shall be  
19 governed by the provisions of RSA 72:33, RSA 72:34, and RSA 72:34-a.

20 327:5 Department of Revenue Administration; Equalization; Reference Added. Amend RSA 21-  
21 J:3, XIII to read as follows:

22 XIII. Equalize annually by May 1 the valuation of the property as assessed in the several  
23 towns, cities, and unincorporated places in the state including the value of property exempt  
24 pursuant to RSA 72:37, **RSA 72:37-b, RSA 72:39-a, RSA 72:62, RSA 72:66, [and] RSA 72:70, and**  
25 **RSA 72:85**, property which is subject to tax relief under RSA 79-E:4, and property which is subject  
26 to tax relief under RSA 79-E:4-a, by adding to or deducting from the aggregate valuation of the  
27 property in towns, cities, and unincorporated places such sums as will bring such valuations to the  
28 true and market value of the property, and by making such adjustments in the value of other  
29 property from which the towns, cities, and unincorporated places receive taxes or payments in lieu of  
30 taxes, including renewable generation facility property subject to a payment in lieu of taxes  
31 agreement under RSA 72:74, as may be equitable and just, so that any public taxes that may be  
32 apportioned among them shall be equal and just. In carrying out the duty to equalize the valuation  
33 of property, the commissioner shall follow the procedures set forth in RSA 21-J:9-a.

34 327:6 Department of Revenue Administration; Rules; Reference Added. Amend RSA 72:36, I to  
35 read as follows:

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1           I. The commissioner's interpretation of RSA 72:28, 72:28-b, 72:28-c, 72:29, 72:29-a, 72:30,  
2       72:31, 72:32, 72:33, 72:34, 72:34-a, 72:35, 72:36-a, 72:37, 72:37-a, 72:37-b, 72:38-a, 72:38-b, 72:39-a,  
3       72:39-b, 72:41, 72:62, 72:66, ~~and~~ 72:70; and **72:85; and**

4           327:7 Department of Revenue Administration; Equalization; Reference Added. RSA 21-J:3, XIII  
5       is repealed and reenacted to read as follows:

6           XIII. Equalize annually by May 1 the valuation of the property as assessed in the several  
7       towns, cities, and unincorporated places in the state including the value of property exempt  
8       pursuant to RSA 72:37, RSA 72:37-b, RSA 72:39-a, RSA 72:62, RSA 72:66, RSA 72:70, and RSA  
9       72:85, property which is subject to tax relief under RSA 79-E:4, and property which is subject to tax  
10      relief under RSA 79-E:4-a, by adding to or deducting from the aggregate valuation of the property in  
11      towns, cities, and unincorporated places such sums as will bring such valuations to the true and  
12      market value of the property, and by making such adjustments in the value of other property from  
13      which the towns, cities, and unincorporated places receive taxes or payments in lieu of taxes,  
14      including renewable generation facility property subject to a payment in lieu of taxes agreement  
15      under RSA 72:74 and combined heat and power agricultural facility property subject to a payment in  
16      lieu of taxes agreement under RSA 72:74-a, as may be equitable and just, so that any public taxes  
17      that may be apportioned among them shall be equal and just. In carrying out the duty to equalize  
18      the valuation of property, the commissioner shall follow the procedures set forth in RSA 21-J:9-a.

19          327:8 Contingency. If HB 635-LOCAL of the 2019 regular legislative session becomes law,  
20      section 7 of this act shall take effect 60 days after the passage of this act and section 5 of this act  
21      shall not take effect. If HB 635-LOCAL does not become law section 5 of this act shall take effect 60  
22      days after its passage and section 7 of this act shall not take effect.

23          327:9 Effective Date.

24           I. Sections 5 and 7 of this act shall take effect as provided in section 8 of this act.

          II. The remainder of this act shall take effect 60 days after its passage.

Approved: August 16, 2019

Effective Date:

I. Sections 5 and 7 shall take effect as provided in section 8.

II. Remainder shall take effect October 15, 2019.