

Property Tax Exemptions for Utility-Scale Solar
Code of Virginia § 58.1-3660
Certified Pollution Control Equipment and Facilities

What It Says:

For solar photovoltaic (electric energy) systems, this exemption applies only to (i) projects equaling 20 megawatts or less, as measured in alternating current (AC) generation capacity, for which an initial interconnection request form has been filed with an electric utility or a regional transmission organization on or before December 31, 2018; (ii) projects equaling 20 megawatts or less, as measured in alternating current (AC) generation capacity, that serve any of the public institutions of higher education listed in § 23.1-100 or any private college as defined in § 23.1-105; (iii) 80 percent of the assessed value of projects for which an initial interconnection request form has been filed with an electric utility or a regional transmission organization (a) between January 1, 2015, and June 30, 2018, for projects greater than 20 megawatts or (b) on or after July 1, 2018, for projects greater than 20 megawatts and less than 150 megawatts, as measured in alternating current (AC) generation capacity, and that are first in service on or after January 1, 2017; (iv) projects equaling five megawatts or less, as measured in alternating current (AC) generation capacity, for which an initial interconnection request form has been filed with an electric utility or a regional transmission organization on or after January 1, 2019; and (v) 80 percent of the assessed value of all other projects equaling more than five megawatts and less than 150 megawatts, as measured in alternating current (AC) generation capacity for which an initial interconnection request form has been filed with an electric utility or a regional transmission organization on or after January 1, 2019. The exemption for solar photovoltaic (electric energy) projects greater than 20 megawatts, as measured in alternating current (AC) generation capacity, shall not apply to projects upon which construction begins after January 1, 2024. Such property shall not include the land on which such equipment or facilities are located.

What It Means:

A. 100% exemptions for:

- 20MW or less (for which initial interconnection request is filed on or before December 31, 2018)
- 20MW or less that serve public higher education (§23.1-100) or private colleges (§23.1-105)
- 5MW or less (for which an initial interconnection request is filed on or after January 1, 2019)

B. 80% exemptions for:

- Projects greater than 20MW (if initial interconnection requested was filed before July 1, 2018)
- Greater than 20MW and less than 150MW (if interconnection request was filed after July 1, 2018)

C. Local Option for 150MW and above

D. Exemption for 20MW-150MW sunsets January 1, 2024