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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. 2468

02/27/2014 Authored by Erickson, R.,
The bill was read for the first time and referred to the Committee on Taxes

1.1 A bill for an act
1.2 relating to taxation; property; providing a property tax exemption for personal
1.3 property of an electric generation facility; amending Minnesota Statutes 2012,
1.4 section 272.02, subdivision 93.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2012, section 272.02, subdivision 93, is amended to read:

1.7 Subd. 93. **Electric generation facility; personal property.** Notwithstanding
1.8 subdivision 9, clause (a), attached machinery and other personal property that is part of
1.9 a simple-cycle electric generation facility of more than 40 megawatts and less than 125
1.10 megawatts of installed capacity and that meets the requirements of this subdivision is
1.11 exempt. At the time of construction, the facility must:

- 1.12 (1) utilize natural gas as a primary fuel;
- 1.13 (2) be located within two miles of parallel existing 36-inch natural gas pipelines and
1.14 an existing 115-kilovolt high-voltage electric transmission line;
- 1.15 (3) be designed to provide peaking, emergency backup, or contingency services;
- 1.16 (4) satisfy a resource deficiency identified in an approved integrated resource plan
1.17 filed under section 216B.2422; and
- 1.18 (5) have an agreement with the host county, township, and school district for
1.19 payment in lieu of personal property taxes to the host county, township, and school district
1.20 for the operating life of the facility. Any amount distributed to the school district is not
1.21 subject to the deductions under section 126C.21.

1.22 Construction of the facility must be commenced after January 1, ~~2010~~ 2015, and
1.23 before January 1, ~~2014~~ 2019. Property eligible for this exemption does not include electric

2.1 transmission lines and interconnections or gas pipelines and interconnections appurtenant
2.2 to the property or the facility.

2.3 **EFFECTIVE DATE.** This section is effective for assessments in 2015, taxes
2.4 payable in 2016, and thereafter.