

WEST VIRGINIA LEGISLATURE

2021 REGULAR SESSION

Introduced

Senate Bill 412

FISCAL
NOTE

BY SENATORS SMITH AND PHILLIPS

[Introduced February 23, 2021; referred
to the Committee on Finance]

1 A BILL to amend and reenact §11-6A-5a of the Code of West Virginia, 1931, as amended, relating
 2 to pollution control facilities tax treatment; clarifying that wind power projects are not
 3 pollution control facilities for purposes of this article; and providing that wind power
 4 projects be taxed at the real property rate.

Be it enacted by the Legislature of West Virginia:

ARTICLE 6A. POLLUTION CONTROL FACILITIES TAX TREATMENT.

§11-6A-5a. Wind power projects.

1 ~~(a) Notwithstanding any other provisions of this article, a power project designed,~~
 2 ~~constructed or installed to convert wind into electrical energy shall be subject to the provisions of~~
 3 ~~this section.~~

4 ~~(b) Each wind turbine installed at a wind power project and each tower upon which the~~
 5 ~~turbine is affixed shall be considered to be personal property that is a pollution control facility for~~
 6 ~~purposes of this article and, subject to an allocation of the value of project property determined~~
 7 ~~by the Tax Commissioner in accordance with this section, all of the value associated with the wind~~
 8 ~~turbine and tower shall be accorded salvage valuation: *Provided*, That the portion of the total~~
 9 ~~value of the facility assigned salvage value in accordance with this section shall, on and after July~~
 10 ~~1, 2007, be no greater than seventy-nine percent of the total value of the facility. All personal~~
 11 ~~property at a wind power project other than a wind turbine and tower shall not be accorded salvage~~
 12 ~~valuation and shall not be considered to be personal property that is a pollution control facility.~~
 13 ~~For purposes of this section, "wind turbine and tower" is limited to: The rotor, consisting of the~~
 14 ~~blades and the supporting hub; the drive train, which includes the remaining rotating parts such~~
 15 ~~as the shafts, gearbox, coupling, a mechanical brake and the generator; the nacelle and main~~
 16 ~~frame, including the wind turbine housing, bedplate and the yaw system; the turbine transformer;~~
 17 ~~the machine controls; the tower; and the tower foundation~~

18 Wind power projects are not pollution control facilities for purposes of this article, and each
 19 wind turbine installed at a wind power project, and each tower upon which the turbine is affixed,

- 20 shall be considered real property for the purpose of taxation so long as the tower of the wind
21 power project is affixed to the ground.

NOTE: The purpose of this bill is to clarify that a wind power project is not a pollution control facility for purposes of §11-6A-1 *et seq.* of this code and is taxed as real property.

Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.