



2013 ASSEMBLY BILL 709

January 31, 2014 - Introduced by Representatives KNUDSON, MURTHA and SEVERSON, cosponsored by Senator JAUCH. Referred to Committee on State and Local Finance.

1 **AN ACT to amend** 70.111 (18) of the statutes; **relating to:** the property tax
2 exemption for biogas or synthetic gas energy systems and property subject to
3 a tax incremental financing agreement.

Analysis by the Legislative Reference Bureau

This bill provides that the property tax exemption for biogas or synthetic gas energy systems does not apply to property subject to a tax incremental financing agreement that was in effect on January 1, 2014.

Because this bill relates to an exemption from state or local taxes, it may be referred to the Joint Survey Committee on Tax Exemptions for a report to be printed as an appendix to the bill.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

4 **SECTION 1.** 70.111 (18) of the statutes, as affected by 2013 Wisconsin Act 20, is
5 amended to read:

6 70.111 (18) ENERGY SYSTEMS. Biogas or synthetic gas energy systems, solar
7 energy systems, and wind energy systems. In this subsection, “biogas or synthetic

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1 gas energy system” means equipment which directly converts biomass, as defined
2 under section 45K (c) (3) of the Internal Revenue Code, as interpreted by the Internal
3 Revenue Service, into biogas or synthetic gas, equipment which generates electricity,
4 heat, or compressed natural gas exclusively from biogas or synthetic gas, equipment
5 which is used exclusively for the direct transfer or storage of biomass, biogas, or
6 synthetic gas, and any structure used exclusively to shelter or operate such
7 equipment, or the portion of any structure used in part to shelter or operate such
8 equipment that is allocable to such use, if all such equipment, and any such
9 structure, is located at the same site, and includes manure, substrate, and other
10 feedstock collection and delivery systems, pumping and processing equipment,
11 gasifiers and digester tanks, biogas and synthetic gas cleaning and compression
12 equipment, fiber separation and drying equipment, and heat recovery equipment,
13 but does not include equipment or components that are present as part of a
14 conventional energy system. In this subsection, “synthetic gas” is a gas that qualifies
15 as a renewable resource under s. 196.378 (1) (h) 1. h. In this subsection, “solar energy
16 system” means equipment which directly converts and then transfers or stores solar
17 energy into usable forms of thermal or electrical energy, but does not include
18 equipment or components that would be present as part of a conventional energy
19 system or a system that operates without mechanical means. In this subsection,
20 “wind energy system” means equipment which converts and then transfers or stores
21 energy from the wind into usable forms of energy, but does not include equipment or
22 components that would be present as part of a conventional energy system. The
23 exemption under this subsection for biogas or synthetic gas energy systems does not
24 apply to property subject to a tax incremental financing agreement that was in effect
25 on January 1, 2014, and not subsequently modified, amended, or extended.

