



AN ACT REVISING PROPERTY TAX LAWS RELATED TO SOLAR PANEL SYSTEMS; CLASSIFYING UTILITY-SCALE SOLAR FACILITIES AS CLASS THIRTEEN PROPERTY; AMENDING SECTION 15-6-156, MCA; AND PROVIDING AN EFFECTIVE DATE AND AN APPLICABILITY DATE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

**Section 1.** Section 15-6-156, MCA, is amended to read:

**"15-6-156. Class thirteen property -- description -- taxable percentage.** (1) Except as provided in subsections (2)(a) through (2)(h), class thirteen property includes:

- (a) electrical generation facilities, except wind generation facilities, biomass generation facilities, and energy storage facilities classified under 15-6-157, of a centrally assessed electric power company;
- (b) electrical generation facilities, except wind generation facilities, biomass generation facilities, and energy storage facilities classified under 15-6-157, owned or operated by an exempt wholesale generator or an entity certified as an exempt wholesale generator pursuant to 42 U.S.C. 16451;
- (c) noncentrally assessed electrical generation facilities, except wind generation facilities, biomass generation facilities, and energy storage facilities classified under 15-6-157, owned or operated by any electrical energy producer;
- (d) allocations of centrally assessed telecommunications services companies; and
- (e) dedicated communications infrastructure described in 15-6-162(5) for which construction commenced after June 30, 2027, or for which the 15-year period provided for in 15-6-162(5)(c) has expired.

(2) Class thirteen property does not include:

- (a) property owned by cooperative rural electric cooperative associations classified under 15-6-135;
- (b) property owned by cooperative rural electric cooperative associations classified under 15-6-137 or 15-6-157;

- (c) allocations of electric power company property under 15-6-141;
- (d) electrical generation facilities included in another class of property;
- (e) property owned by cooperative rural telephone associations and classified under 15-6-135;
- (f) property owned by organizations providing telecommunications services and classified under 15-6-135;
- (g) generation facilities that are exempt under 15-6-225; and
- (h) qualified data centers classified under 15-6-162.

(3) (a) For the purposes of this section, "electrical generation facilities" means any combination of a physically connected generator or generators, associated prime movers, and other associated property, including appurtenant land and improvements and personal property, that are normally operated together to produce electric power. The term includes but is not limited to generating facilities that produce electricity from coal-fired steam turbines, oil or gas turbines, ~~or turbine generators that are driven by falling water, or solar panel systems.~~

(b) The term does not include electrical generation facilities used for noncommercial purposes or exclusively for agricultural purposes.

(c) (i) The term also does not include a qualifying small power production facility, as that term is defined in 16 U.S.C. 796(17), that is owned and operated by a person not primarily engaged in the generation or sale of electricity other than electric power from a small power production facility and classified under 15-6-134 and 15-6-138 a qualifying facility certified by the federal energy regulatory commission.

(ii) To qualify for consideration of an abatement as allowed in 15-24-1402, the requesting entity must disclose, in writing, its intent to request certification as a qualifying facility to the governing body.

(iii) If the intent is not disclosed and an abatement granted, abatement may be rescinded by the governing body.

(iv) Certified qualifying facilities are classified under 15-6-134 and 15-6-138.

(d) The term also does not include a facility that is owned and operated by a person not primarily engaged in the generation or sale of electricity other than power from a small power production facility and classified under 15-6-134 and 15-6-138.

(4) Class thirteen property is taxed at 6% of its market value."

**Section 2. Effective date.** [This act] is effective October 1, 2021.

**Section 3. Applicability.** [This act] applies to tax years beginning after December 31, 2021.

- END -

I hereby certify that the within bill,  
HB 346, originated in the House.

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Chief Clerk of the House

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Speaker of the House

Signed this \_\_\_\_\_ day  
of \_\_\_\_\_, 2021.

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President of the Senate

Signed this \_\_\_\_\_ day  
of \_\_\_\_\_, 2021.

HOUSE BILL NO. 346

INTRODUCED BY T. WELCH

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