S.626

**Sponsors:** Senators Gregory, Hayes, and Reese

**Currently Residing:** House Judiciary Constitutional Laws Subcommittee

**Summary:**

- Provides a 100% county tax exemption for residential renewable energy generation property that has a nameplate capacity of no greater than 20 kilowatts. No expiration is placed on this exemption.

- Provides an 80% county tax exemption for business renewable energy generation property for **10 consecutive property tax years** after a facility becomes operational—after 2012 and before 2021.

- ‘Renewable energy generation property’ is property that generates electric power by the use of renewable energy resource as defined in 58-10-10(F)—solar photovoltaic and solar thermal resources, wind resources, hydroelectric resources, geothermal resources, tidal and wave energy resources, recycling resources, hydrogen fuel derived from renewable resources, combined heat and power derived from renewable resources, and biomass resources.

- **Exceptions for business property that became operational in 2013 & 2014:** The exemption applies for 10 years beginning in 2016 so long as the property was not subject to a fee in lieu agreement as of December 31, 2014.

- **Exceptions for business property that became operational in 2015:** If the property were subject to a fee in lieu agreement, as of December 31, 2015, the taxpayer may decide to opt for this exemption. The taxpayer must notify the other parties to the agreement no later than 30 days after the effective date of the bill that he/she would like to access this exemption. Upon the expiration of the exemption, the taxpayer may then opt to have the pre-existing fee in lieu agreement apply.

- **No double dipping**—A taxpayer may not take this exemption and the county 5-year ad valorem tax exemption provided for in 12-37-220(A)(7)—for all new manufacturing establishments located in SC after July 1, 1977, and all additions of $50,000 or more to the existing manufacturing establishments (machinery and equipment installed in the plant).