

Local Law Filing

(Use this form to file a local law with the Secretary of State.)

Text of law should be given as amended. Do not include matter being eliminated and do not use italics or underlining to indicate new matter.

County City Town Village
(Select one.)

of Montgomery

FILED
STATE RECORDS

DEC 20 2016

DEPARTMENT OF STATE

Local Law No. 3 of the year 2016

A local law A LOCAL LAW ESTABLISHING A PAYMENT IN LIEU OF TAXES (PILOT) SCHEDULE
(Insert Title)
FOR THE TAXATION OF SOLAR AND WIND ENERGY SYSTEMS

Be it enacted by the Montgomery County Legislature of the
(Name of Legislative Body)

County City Town Village
(Select one.)

of Montgomery

as follows:

Be it enacted by the Montgomery County Legislature as follows:

Section 1: Legislative Intent

It is the intent of this Local Law for Montgomery County to establish a Payment In Lieu Of Taxes (PILOT) Schedule for the property taxation of solar or wind energy systems by Montgomery County.

Section 2: Definitions

(a) Solar or wind energy system - an arrangement or combination of solar or wind energy equipment designed to provide heating, cooling, hot water, or mechanical, chemical, or electrical energy by the collection of solar or wind energy and its conversion, storage, protection and distribution.

Section 3: Notification Requirements

(a) Any owner or developer of a solar or wind energy system that meets the requirements under Real Property Tax Law subdivision 4 must notify the Montgomery County Executive, with copies of the notification sent to the Montgomery County Real Property Tax Office and the Montgomery County Treasurer, via certified mail of its intent to construct a solar or wind energy system.

(b) Montgomery County shall have sixty (60) days from receipt of the written notification by the Montgomery County Executive to notify the owner or developer of its intent to require a contract for payments in lieu of taxes.

(If additional space is needed, attach pages the same size as this sheet, and number each.)

**MONTGOMERY COUNTY
LOCAL LAW #3 OF 2016
A LOCAL LAW ESTABLISHING A PAYMENT IN LIEU OF TAXES (PILOT)
SCHEDULE FOR THE TAXATION OF SOLAR AND WIND ENERGY SYSTEMS**

Section 4: PILOT Schedule

- (a) The PILOT schedule for commercial solar or wind energy systems shall adhere to RPTL 487 (9).
- (b) The annual payments under the PILOT shall not exceed the amounts that would otherwise be payable but for the exemption under RPTL 487.
- (c) All PILOT payments payable to the County shall be assessed, billed and collected directly by the County Treasurer.

Section 5: Application of PILOT Schedule

- (a) The exemption under the PILOT Schedule in the first year shall be 50% of the increase in the assessed value attributable to the improvement. The exemption amount then decreases by 5% in each of the next nine years and such exemption shall be computed with respect to the "exemption base." The exemption base shall be the increase in assessed value as determined in the initial year of such ten year period. During years 11-15, subsequent to the investment, the property shall be taxed at full value.

Section 6: Late Payments

- (a) If the first month's payment required by a Payment in Lieu of Tax Agreement is not made when due a late payment penalty equal to five percent (5%) of the amount due shall be assessed.
- (b) Thereafter a late payment penalty of one percent (1%) per month for each month, or part thereof, that the payment due hereunder is delinquent beyond the first month together with interest to the extent permitted by law, at the greater of (1) one percent (1%) per month, or (2) the rate per annum which would be payable if such amount were delinquent taxes, until so paid in full shall be assessed.

Section 7: Exemptions

- (a) Residential properties shall receive full property tax exemption from the increase in the assessed value attributable to the installation of solar panels to the extent that the energy generated by these solar panels is exclusively used by the residence. Should excess energy be generated and sold for off-site use, then a PILOT can be enacted proportionately to the increase in assessed value for that part of the total energy generation that is sold to the utility.

MONTGOMERY COUNTY

LOCAL LAW #3 OF 2016

**A LOCAL LAW ESTABLISHING A PAYMENT IN LIEU OF TAXES (PILOT)
SCHEDULE FOR THE TAXATION OF SOLAR AND WIND ENERGY SYSTEMS**

It is the responsibility of the property owner to furnish documentation via certified mail to the Montgomery County Executive, with copies sent to the Montgomery County Real Property Tax Office and the Montgomery County Treasurer, via certified mail demonstrating the allocation of energy produced by the utilization of energy generated by the solar panels. Montgomery County shall have sixty (60) days from receipt of the written notification by the Montgomery County Executive to notify the owner or developer of its intent to require a contract for payments in lieu of taxes.

(b) Solar facilities developed to produce energy for on-site commercial buildings, such as farm buildings, shall remain fully exempt from the increase in the assessed value attributable to the installation of solar panels, except for instances in which any power produced on the property is sold back to the grid. Should excess energy be generated and sold for off-site use, then a PILOT can be enacted proportionately to the increase in assessed value for that part of the total energy generation that is sold to the utility. It is the responsibility of the property owner to furnish documentation via certified mail to the Montgomery County Executive, with copies sent to the Montgomery County Real Property Tax Office and the Montgomery County Treasurer, via certified mail demonstrating the allocation of energy produced by the utilization of energy generated by the solar panels. Montgomery County shall have sixty (60) days from receipt of the written notification by the Montgomery County Executive to notify the owner or developer of its intent to require a contract for payments in lieu of taxes.

Section 8: Effective Date

(a) This Local Law shall take effect immediately upon filing with the Secretary of State.

(b) Any commercial solar facility projects that are under construction, as defined by Real Property Law 487, at the enactment of this local law will neither be subject to, nor affected by the new policy.

(c) In accordance with RPTL 487 (8) a., the County shall file this local law with the Commissioner of the New York State Department of Tax and Finance and with the president of the New York State Energy Research and Development Authority.

(Complete the certification in the paragraph that applies to the filing of this local law and strike out that which is not applicable.)

1. (Final adoption by local legislative body only.)

I hereby certify that the local law annexed hereto, designated as local law No. _____ of 20____ of the (County)(City)(Town)(Village) of _____ was duly passed by the _____ on _____ 20____, in accordance with the applicable provisions of law.

(Name of Legislative Body)

2. (Passage by local legislative body with approval, no disapproval or repassage after disapproval by the Elective Chief Executive Officer*.)

I hereby certify that the local law annexed hereto, designated as local law No. 3 of 20¹⁶ of the (County)(~~City~~)(~~Town~~)(~~Village~~) of Montgomery was duly passed by the Montgomery County Legislature on October 25 20¹⁶, and was (approved)(~~not approved~~) (repassed after disapproval) by the County Executive and was deemed duly adopted on November 17, 20¹⁶, in accordance with the applicable provisions of law.

(Name of Legislative Body)
(Elective Chief Executive Officer)*

3. (Final adoption by referendum.)

I hereby certify that the local law annexed hereto, designated as local law No. _____ of 20____ of the (County)(City)(Town)(Village) of _____ was duly passed by the _____ on _____ 20____, and was (approved)(not approved) (repassed after disapproval) by the _____ on _____ 20____.

(Name of Legislative Body)
(Elective Chief Executive Officer)*

Such local law was submitted to the people by reason of a (mandatory)(permissive) referendum, and received the affirmative vote of a majority of the qualified electors voting thereon at the (general)(special)(annual) election held on _____ 20____, in accordance with the applicable provisions of law.

4. (Subject to permissive referendum and final adoption because no valid petition was filed requesting referendum.)

I hereby certify that the local law annexed hereto, designated as local law No. _____ of 20____ of the (County)(City)(Town)(Village) of _____ was duly passed by the _____ on _____ 20____, and was (approved)(not approved) (repassed after disapproval) by the _____ on _____ 20____. Such local law was subject to permissive referendum and no valid petition requesting such referendum was filed as of _____ 20____, in accordance with the applicable provisions of law.

(Name of Legislative Body)
(Elective Chief Executive Officer)*

* Elective Chief Executive Officer means or includes the chief executive officer of a county elected on a county-wide basis or, if there be none, the chairperson of the county legislative body, the mayor of a city or village, or the supervisor of a town where such officer is vested with the power to approve or veto local laws or ordinances.

5. ~~(City local law concerning Charter revision proposed by petition.)~~

~~I hereby certify that the local law annexed hereto, designated as local law No. _____ of 20____ of the City of _____ having been submitted to referendum pursuant to the provisions of section (36)(37) of the Municipal Home Rule Law, and having received the affirmative vote of a majority of the qualified electors of such city voting thereon at the (special)(general) election held on _____ 20____, became operative.~~

6. ~~(County local law concerning adoption of Charter.)~~

~~I hereby certify that the local law annexed hereto, designated as local law No. _____ of 20____ of the County of _____ State of New York, having been submitted to the electors at the General Election of November _____ 20____, pursuant to subdivisions 5 and 7 of section 33 of the Municipal Home Rule Law, and having received the affirmative vote of a majority of the qualified electors of the cities of said county as a unit and a majority of the qualified electors of the towns of said county considered as a unit voting at said general election, became operative.~~

(If any other authorized form of final adoption has been followed, please provide an appropriate certification.)

I further certify that I have compared the preceding local law with the original on file in this office and that the same is a correct transcript therefrom and of the whole of such original local law, and was finally adopted in the manner indicated in paragraph _____ above.

Cheryl A. Reese

Clerk of the county legislative body, City, Town or Village Clerk or officer designated by local legislative body

Date: 11/30/2016

(Seal)