



Possible new opportunities for growth of solar in Florida

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The Florida Senate is considering several bills which would exclude the value of “renewable energy source devices”, i.e., certain renewable energy or energy efficient equipment or systems, from the taxable value of real property for real estate tax purposes. The exemption would apply to, among other equipment or systems, solar energy collectors, photovoltaic modules and inverters, windmills and wind turbines and wind driven generators, and power conditioning and storage devices that use wind energy to generate electricity or mechanical forms of energy.

While the tax “exemption” is already in place for residential property, one of the proposed bills would extend the exemption to all forms of property provided the device is installed by the end-user in order to primarily offset part or all of that user’s electricity demands. If the bills pass, the exemption would be effective January 1, 2015 for any new or existing residential real property on which a device was installed on or after January 1, 2013 and to all other real property on which devices are installed on or after January 1, 2015. The bills would seem to allow individuals, corporations and institutions to enter into power purchase agreements to sell any excess to local utility companies since the bills only require that the device be used to primarily offset part or all of the user’s demands.

What does this mean for Floridians? Overall, this bill provides further incentive for individuals, companies and institutions in Florida to invest in solar energy. Local, state and federal governments already provide incentives at the residential, the commercial and institutional levels for those individuals, companies, universities or other institutions to help finance solar projects. For companies and institutions, solar projects also can be financed in part by economic development incentives, new market and other state and federal tax credits and incentives. Tax credits and incentives have been successfully used to help finance the installation of solar and wind equipment at universities, museums or art institutes, and for profit businesses.

In a state where power outages and utility rate hikes are common (especially in years when utility facilities and equipment are damaged due to hurricanes and other damaging weather), making the move to solar seems not only more attractive but also more and more financially feasible.



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