



ADMINISTRATIVE RULES OF MONTANA

42.22.1318 ENERGY PRODUCTION OR DEVELOPMENT - PROPERTY TAX ABATEMENT ELIGIBILITY FOR NEW INVESTMENT IN THE CONVERSION, TRANSPORT, MANUFACTURE, RESEARCH, AND DEVELOPMENT OF RENEWABLE ENERGY, CLEAN COAL ENERGY, AND CARBON DIOXIDE EQUIPMENT AND FACILITIES

- (1) The property owner of record, the property's owner's agent, or the operator of the qualifying property must apply to the Department of Environmental Quality (DEQ) for a certification of eligibility for equipment or facilities for which the abatement is sought. Upon review of the application, the DEQ shall provide the Department of Revenue (department) with a certification of eligibility for qualifying equipment or facilities.
- (2) The department shall classify the property in the appropriate class of property and shall assess the qualifying facilities for which the certification is granted at 50% of its taxable value for the qualifying period which includes the construction period and the first 15 years after the facility commences operation or the clean advanced coal research and development equipment or renewable energy research and development equipment is purchased. The total time of the qualifying period may not exceed 19 years.
- (3) For centrally assessed property, the department shall determine the market value of the property or equipment by multiplying the depreciated value of the approved class fourteen, fifteen, or sixteen qualifying equipment or facilities by a market to book ratio then multiplying by 0.50. The market to book ratio shall be determined by dividing the system or unit value after deduction of the exempt intangible personal property by the system net book value after deduction of the exempt intangible personal property. This value shall then be deducted from the Montana value and certified to the counties as class fourteen, fifteen, or sixteen property.
- (4) For industrially assessed property, the department shall determine the market value of the qualifying industrially assessed property in accordance with ARM 42.22.1309 and then multiply the qualifying property or equipment by 0.50.
- (5) Upon revocation of a certification by the DEQ, the department will, if necessary, reclassify the property and assess the property at 100% of its taxable value beginning January 1 of the year or years for which the certification is revoked.
- (6) If the department finds that a certification for a transmission line which was previously granted was based on an application that the applicant knew was false or fraudulent or subsequently revoked, the department must reclassify property as class nine under 15-6-141, MCA. In addition, the department may assess the applicant for additional taxes, penalty, and interest from the time the certification was in effect.

Implementing statute(s): 15-6-141, 15-6-157, 15-6-158, 15-6-159, 15-24-3101, 15-24-3102, 15-24-3111, 15-24-3112, 15-24-3116, MCA

History: NEW, 2008 MAR p. 811, Eff. 4/25/08; AMD, 2010 MAR p. 1407, Eff. 6/11/10; TRANS, from 42.4.4114, 2024 MAR p. 2162, Eff. 9/7/24.