# Monroe County Legislature
## Office of the Republican Conference

OFFICIAL FILE COPY
No. 240269
Not to be removed from the Office of the
Legislature Of
Monroe County
Committee Assignment
AGENDA/CHARTER -L

August 12, 2024

To the Honorable
Monroe County Legislature
407 County Office Building
39 West Main Street
Rochester, NY 14614

**Subject:** **Enact a Local Law Entitled "Opting Out of the Exemption from Taxation for Certain Energy Systems under Real Property Tax Law Section 487"**

Honorable Legislators:

New York State Real Property Tax Law § 487 provides exemptions from taxation for certain energy systems, including solar, wind, farm waste, and micro-hydroelectric energy systems. Under subsection (8), municipalities may, by local law, remove this exemption; recently, Onondaga and Ontario Counties have done so. While well-meaning in its promotion of renewable energy, this law leads to significant revenue loss for local municipalities. By removing the exemption, Monroe County would ensure that all properties are taxed fairly, thus maintaining a stable revenue stream essential for funding local services, infrastructure, and more. This removal could help prevent the financial strain that tax exemptions might impose on the County's budget, particularly in the face of the increasing demand for and cost of public services.

Furthermore, opting out of this exemption could encourage a more balanced approach to renewable energy development. While promoting sustainability is crucial, ensuring that all property owners contribute to the local tax base is equally important. The current exemption may inadvertently create disparities, benefiting property owners with renewable energy systems at the expense of those without such installations. By opting out, Monroe County would provide a fairer environment where all property owners contribute equitably to the community's financial standing, regardless of their energy choices.

Opting out of Real Property Tax Law § 487 would allow Monroe County to prioritize equitable tax policies for all residents and allow the County to avoid shifting tax burdens to homeowners who do not benefit from the current renewable energy installation exemption. By maintaining a more balanced tax structure, Monroe County can foster community-wide support for sustainable initiatives while preserving essential public services and infrastructure.

**The specific legislative actions required are to:**

1) Schedule and hold a public hearing on the proposed Local Law

2) Enact a Local Law entitled "Opting Out of the Exemption from Taxation for Certain Energy Systems under Real Property Tax Law Section 487"

408 County Office Building · 39 West Main Street · Rochester, New York 14614
Phone: (585) 753-1922 · Email: RepublicanConference@monroecounty.gov

This action will have no impact on the revenues or expenditures of the current Monroe County budget.

We recommend that this matter to the appropriate committee(s) for favorable action by Your Honorable Body.

Respectfully Submitted,

Steve Brew
Monroe County Legislature
Republican Leader

Blake Keller
Monroe County Legislator
District 1

Jackie Smith
Monroe County Legislator
District 2

Tracy DiFlorio
Monroe County Legislator
District 3

Virginia McIntyre
Monroe County Legislator
District 4

Richard B. Milne
Monroe County Legislator
District 5

Sean McCabe
Monroe County Legislator
District 6

Kirk Morris
Monroe County Legislator
District 7

Mark Johns
Monroe County Legislator
District 8

Paul Dondorfer
Monroe County Legislator
District 9

Frank Ciardi
Monroe County Legislator
District 15

Tom Sinclair
Monroe County Legislator
District 19

Robert Colby
Monroe County Legislator
District 20

By Legislators _____ and _____

Intro. No. ___

LOCAL LAW NO. ___ OF 2024

**ENACT A LOCAL LAW ENTITLED "OPTING OUT OF THE EXEMPTION FROM TAXATION FOR CERTAIN ENERGY SYSTEMS UNDER REAL PROPERTY TAX LAW SECTION 487"**

BE IT ENACTED BY THE LEGISLATURE OF THE COUNTY OF MONROE, as follows:

Section 1. Purpose and Intent. Real Property Tax Law (RPTL) § 487 provides that a solar or wind energy system, farm waste energy system, micro-hydroelectric energy system, fuel cell electric generating system, micro-combined heat and power generating equipment system, electric energy storage equipment and electric energy storage system, or fuel-flexible linear generator electric generating system shall be exempt from real property taxation to the extent of any increase in the value thereof by reason of the inclusion of such energy system. This local law is enacted to opt out of and remove said exemption, as provided for by RPTL § 487(8).

Section 2. Removal of Exemption.

1. No tax exemption under RPTL § 487 shall be applicable to Monroe County real property taxes with respect to any solar or wind energy system or farm waste energy system which began construction subsequent to the effective date of this local law.

2. No tax exemption under RPTL § 487 shall be applicable to Monroe County taxes with respect to any micro-hydroelectric energy system, fuel cell electric generating system, micro-combined heat and power generating equipment system, electric energy storage equipment or electric energy storage system, or fuel flexible linear generator electric generating system constructed subsequent to the effective date of this local law.

3. As defined in RPTL § 487(8)(b), "construction" of a solar or wind energy system or a farm waste energy system shall be deemed to have begun upon the full execution of a contract or interconnection agreement with a utility; provided however, that if such contract or interconnection agreement requires a deposit to be made, then construction shall be deemed to have begun when the contract or interconnection agreement is fully executed and the deposit is made. The owner or developer of an energy system is responsible for substantiating when such energy system began construction or was constructed.

Section 3. If any clause, sentence, paragraph, subdivision, section, or part of this law or the application thereof to any person, individual, corporation, firm, partnership, entity, or circumstance shall be adjudged by any court of competent jurisdiction to be invalid or unconstitutional, such order or judgment shall not affect, impair or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, subdivision, section or part of this law, or in its application to the person, individual, corporation, firm, partnership, entity, or circumstance directly involved in the controversy in which such order or judgment shall be rendered.

Section 4. A copy of this local law shall be filed with the Commissioner of the New York State Department of Taxation and Finance and with the President of the New York State Energy Research and Development Authority.

Section 5. This local law shall take effect in accordance with the provisions of the Municipal Home Rule Law and the Monroe County Charter.

_____ Committee; _____, 2024 - CV: _____
File No. 24-___.LL

ENACTED: Date: _____, 2024 Vote: _____

ACTION BY THE COUNTY EXECUTIVE

APPROVED: _____ VETOED: _____

SIGNATURE: _____ DATE: _____

EFFECTIVE DATE OF LOCAL LAW: _____