

Solar Industry Update

Business Information for
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Shumaker, Loop & Kendrick, LLP

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What's on the Back of My Ballot? What Amendment 4 Is All About

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If you vote by mail, then you've likely already received your August 30 primary ballot with a proposed amendment to the Florida constitution on the back. It is Amendment 4, and it is the only amendment on the primary ballot. (The other amendments will appear on the presidential election ballot in November.)

Amendment 4 allows the Legislature to exempt the value of solar panels and other renewable energy equipment from commercial and industrial property taxes. Specifically, it exempts solar and renewable energy equipment from ad valorem taxation on tangible personal property and real property.

Under current law, solar improvements increase the assessed property value of department stores, factories, and other commercial and industrial properties. This increases property tax bills and discourages Florida businesses from investing in solar panels on their roofs, on carports over their parking lots, or in any open spaces on their grounds. It also discourages developers from constructing large solar farms.

The *residential* solar and renewable energy exemption was approved by the ballot process in 2008, and the exemption was incorporated into the property tax provisions of the constitution. Amendment 4 merely extends the existing residential exemption to commercial and industrial properties.

This year, the Florida Legislature voted unanimously to put Amendment 4 on the August 30 ballot. "Occasionally a bill comes along both the Baptists and the bootleggers can agree on, and this is one of those proposals," said Senator Jeff Brandes, the bill's sponsor. If at least sixty percent of Florida voters vote "yes" on Amendment 4, the Legislature will be empowered to enact the exemption.

Amendment 4 will make solar power more affordable for Florida businesses and will stimulate solar activity and job creation with minimal impact on property tax revenues. Moreover, the added solar resources will help Florida utilities address upcoming carbon-reduction standards. You can learn more about Amendment 4 at www.yes4solar.org.

Chris Delp and Tim Hughes are attorneys in the Solar Industry Practice Group at Shumaker, Loop & Kendrick, LLP where they monitor regulatory developments and market trends that affect solar construction projects in the Sunshine State. To learn more about this practice group, please visit <http://www.slk-law.com/Industries/Solar>.

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