

Solar Industry Update

Business Information for
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Shumaker, Loop & Kendrick, LLP

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Clearing the Path for More Solar in the Sunshine State

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In yesterday's primary election, Florida voters approved Amendment 4, granting the Florida Legislature's request for authority to exempt the value of solar improvements from commercial property taxes.

Now that the Legislature has that authority, the people of Florida will look to the Legislature to promptly implement the exemption in the 2017 General Session. The passage of Amendment 4 further accelerates the already dizzying drop in solar prices.

Florida Tax Watch reports that the "average millage rate (tax rate) in the state is 18.2 mills, or \$18.20 per \$1,000 of taxable value." Competition among solar companies is fierce, and removing this cost will drive down solar companies' quoted prices, and that's good for consumers.

The tax exemption makes solar power cheaper for the businesses that will use the electricity and helps these businesses reach their sustainability goals. An uptick in solar also helps utilities address upcoming carbon-reduction standards.

A greater share of businesses deciding to add solar power to their energy mix means the state will benefit from solar job creation. Across the country, solar job growth in 2015 was *twelve times* greater than the national average job growth across all sectors, and solar wages grew twice as fast as all other sectors. Solar is an enormous job-creation engine, and yesterday, Floridians voted to remove a tax barrier that until now, had limited workers' access to this booming job market and had kept solar prices artificially elevated.

The passage of Amendment 4 clears the path for more solar in the Sunshine State.

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 and provide experienced counsel and representation in the development, financing, and construction of solar assets. To learn more, please visit www.slk-law.com/Industries/Solar.

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