

# MAINE STATE LEGISLATURE

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(New Title)  
New Draft of: H. P. 841, L. D. 1044

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ONE HUNDRED AND EIGHTH LEGISLATURE

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Legislative Document

No. 1845

H. P. 1645

House of Representatives, June 3, 1977

Reported by Mr. Jensen from the Committee on Energy and printed under  
Joint Rules No. 2.

EDWIN H. PERT, Clerk

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STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED  
SEVENTY-SEVEN

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AN ACT to Encourage the Use of Solar Energy in Maine Through Tax  
Exemptions.

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Be it enacted by the People of the State of Maine, as follows:

Sec. 1. 5 MRSA § 5005, sub-§ 1, ¶ J is enacted to read:

J. Encourage the use of solar energy equipment under the state policy of providing tax incentives to develop alternate energy resources. This paragraph shall remain in effect until January 1, 1983.

Sec. 2. 36 MRSA § 656, sub-§ 1, ¶ H is enacted to read:

H. All solar energy equipment, as hereinafter defined, which is used as either a primary or auxiliary power system for the purposes of water heating or space heating shall be exempt for a period of 5 years from the date of installation of the system. Any person who wishes to claim this exemption shall file with his local tax assessor or board of assessors written application claiming the exemption in a manner prescribed by the assessor or board of assessors. An application for exemption from property taxation shall be filed within 30 days following the annual assessment date of that municipality.

As used in this paragraph:

(1) "Solar energy equipment" means all controls, tanks, pumps, heat exchangers, collectors and all other equipment necessary for the collection, transfer and storage of solar energy. Such equipment shall be used directly and exclusively for the conversion of solar energy for purposes of water heating and space heating and cooling and does not include walls, roof or equipment that would ordinarily be contained in a similar

structure not designed or modified to use solar energy for these same purposes.

This paragraph shall remain in effect until January 1, 1983.

Sec. 3. 36 MRSA § 1752, sub-§ 14-A is enacted to read:

14-A. Solar energy equipment. "Solar energy equipment" means all controls, tanks, pumps, heat exchangers, collectors and all other equipment necessary for the collection, transfer and storage of solar energy. This equipment shall be used directly and exclusively for the conversion of solar energy for purposes of water heating and space heating and cooling and does not include walls, roof or equipment that would ordinarily be contained in a similar structure not designed or modified to use solar energy for these same purposes. This subsection shall remain in effect until January 1, 1983.

Sec. 4. 36 MRSA § 1760, sub-§ 37 is enacted to read:

37. Solar energy equipment. Sales of any solar energy equipment certified as such by the Office of Energy Resources. In order to obtain certification a person shall submit to the Office of Energy Resources or its legal successor, an application for a tax rebate which shall state at a minimum the energy equipment purchased, its manufacturer, its cost, the seller from whom the purchase was made and the use which the purchaser shall make of the equipment.

The State Tax Assessor shall refund sales or use tax paid on solar energy equipment upon notice of certification by the Office of Energy Resources.

This subsection shall remain in effect until January 1, 1983.

#### FISCAL NOTE

It is estimated that enactment of this new draft would result in sales tax revenue losses of \$7,500 for the first year of the biennium and \$10,000 for the 2nd year of the biennium. The revenue losses to municipalities for property tax exemptions are potential losses but not actual losses in revenues.

#### STATEMENT OF FACT

This new draft combines the provisions of L. D. 1043 and L. D. 1044 and reduces the tax exemptions for solar energy equipment from 10 years to 5 years. According to the new draft, solar energy equipment will be exempt from the property tax for 5 years, and all solar energy equipment purchased at retail shall be exempt from the sales tax. The property and sales tax exemptions shall remain effective until 1983.