

DRAFT LBDC

A BUDGET BILL submitted by the Governor  
in accordance with Article VII of the Constitution

AN ACT to amend the real property tax law, in relation to property tax benefits for anaerobic digestion of agricultural waste (Part \_\_);

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 PART \_\_

2 Section 1. Subdivision 1 of section 483-a of the real property tax  
3 law, as amended by chapter 272 of the laws of 2013, is amended to read  
4 as follows:

5 1. [Structures] The following structures permanently affixed to agricultural land shall be exempt from taxation, special ad valorem levies and special assessments: (a) structures for the purpose of preserving  
6 and storing forage in edible condition; (b) farm feed grain storage  
7 bins; (c) commodity sheds; (d) bulk milk tanks and coolers used to hold  
8 milk awaiting shipment to market; and (e) manure storage, handling and  
9 treatment facilities, including composting [or anaerobic digestion] of  
10 agricultural materials, such as livestock manure and farming wastes,  
11 food residuals or other organic wastes associated with food production  
12 or consumption with at least fifty percent by weight of its feedstock on  
13 an annual basis being livestock manure, farming wastes and crops grown  
14 specifically for use as [anaerobic digestion or] composting feedstock  
15 [and including any equipment necessary to the process of producing,  
16 collecting, storing, cleaning and converting biogas into forms of energy

1 and transporting biogas or energy on-site; and bulk milk tanks and cool-  
2 ers used to hold milk awaiting shipment to market shall be exempt from  
3 taxation, special ad valorem levies and special assessments]. "Food  
4 residuals" means organic material, including, but not limited to, food  
5 scraps, food processing residue, and related soiled or unrecyclable  
6 paper used in food packaging, preparation or cleanup.

7 § 2. The real property tax law is amended by adding a new section  
8 483-e to read as follows:

9 § 483-e. Anaerobic digestion facilities. 1. Structures permanently  
10 affixed to land for the purpose of anaerobic digestion of agricultural  
11 materials, including structures necessary for the storage and handling  
12 of the agricultural materials that are part of the digestion process,  
13 together with any equipment necessary for producing, collecting, stor-  
14 ing, cleaning and converting biogas into forms of energy and generation,  
15 transmission, transporting, use of and/or the sale of biogas or energy  
16 on-site, off-site, and/or pursuant to an interconnection agreement with  
17 a utility; shall be exempt from taxation, special ad valorem levies and  
18 special assessments. "Agricultural materials" includes, but is not  
19 limited to, livestock manure, farming wastes and food residuals and  
20 other organic wastes associated with food production or consumption with  
21 at least fifty percent by weight of its feedstock on an annual basis  
22 being livestock manure, farming wastes and crops grown specifically for  
23 use as anaerobic digestion feedstock. "Food residuals" means organic  
24 material, including, but not limited to, food scraps, food processing  
25 residue, and related soiled or unrecyclable paper used in food packag-  
26 ing, preparation or cleanup.

27 2. The exemption provided by subdivision one of this section shall  
28 only be granted upon the application of the owner of the property upon

1 which such structures are located, on a form to be prescribed by the  
2 commissioner. Such application shall be filed on or before the appropri-  
3 ate taxable status date with the assessor of the municipality having the  
4 power to assess real property. Once an exemption is granted, no renewal  
5 thereof shall be necessary.

6 § 3. Subdivision 2 of section 487 of the real property tax law, as  
7 amended by chapter 515 of the laws of 2002, is amended to read as  
8 follows:

9 2. Real property which includes a solar or wind energy system or farm  
10 waste energy system approved in accordance with the provisions of this  
11 section shall be exempt from taxation to the extent of any increase in  
12 the value thereof by reason of the inclusion of such solar or wind ener-  
13 gy system or farm waste energy system for a period of fifteen years.  
14 When a solar or wind energy system or components thereof or farm waste  
15 energy system also serve as part of the building structure, the increase  
16 in value which shall be exempt from taxation shall be equal to the  
17 assessed value attributable to such system or components multiplied by  
18 the ratio of the incremental cost of such system or components to the  
19 total cost of such system or components. The exemption provided by this  
20 section is inapplicable to any structure that satisfies the requirements  
21 for exemption under section four hundred eighty-three-e of this title.

22 § 4. This act shall take effect immediately and shall apply to assess-  
23 ment rolls based on taxable status dates occurring on and after March 1,  
24 2013; provided, that an application for the exemption on the 2013  
25 assessment roll shall be considered timely if filed on or before March  
26 1, 2017; and provided further, that in the event such application should  
27 be denied, administrative and judicial review shall be available in the  
28 same manner and to the same extent as if the application had been for an

1 exemption on the 2017 assessment roll; provided, however, that the  
2 amendments made by section three of this act shall not apply to any  
3 exemption from taxation for a farm waste energy system that was granted  
4 pursuant to real property tax law section four hundred eighty-seven  
5 prior to such effective date.