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:

PART __

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

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 and storing forage in edible condition; (b) farm feed grain storage bins; (c) commodity sheds; (d) bulk milk tanks and coolers used to hold milk awaiting shipment to market; and (e) manure storage, handling and treatment facilities, including composting [or anaerobic digestion] of agricultural materials, such as livestock manure and farming wastes, food residuals or other organic wastes associated with food production or consumption with at least fifty percent by weight of its feedstock on an annual basis being livestock manure, farming wastes and crops grown specifically for use as [anaerobic digestion or] composting feedstock [and including any equipment necessary to the process of producing, collecting, storing, cleaning and converting biogas into forms of energy
and transporting biogas or energy on-site; and bulk milk tanks and coolers used to hold milk awaiting shipment to market shall be exempt from taxation, special ad valorem levies and special assessments]. "Food residuals" means organic material, including, but not limited to, food scraps, food processing residue, and related soiled or unrecyclable paper used in food packaging, preparation or cleanup.

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

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

2. The exemption provided by subdivision one of this section shall only be granted upon the application of the owner of the property upon
which such structures are located, on a form to be prescribed by the commissioner. Such application shall be filed on or before the appropriate taxable status date with the assessor of the municipality having the power to assess real property. Once an exemption is granted, no renewal thereof shall be necessary.

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

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

§ 4. This act shall take effect immediately and shall apply to assessment rolls based on taxable status dates occurring on and after March 1, 2013; provided, that an application for the exemption on the 2013 assessment roll shall be considered timely if filed on or before March 1, 2017; and provided further, that in the event such application should be denied, administrative and judicial review shall be available in the same manner and to the same extent as if the application had been for an
exemption on the 2017 assessment roll; provided, however, that the
amendments made by section three of this act shall not apply to any
exemption from taxation for a farm waste energy system that was granted
pursuant to real property tax law section four hundred eighty-seven
prior to such effective date.