

SECOND REGULAR SESSION

HOUSE BILL NO. 2451

101ST GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE MCGAUGH.

5033H.011

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal section 153.034, RSMo, and to enact in lieu thereof one new section relating to the taxation of certain public utility property.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Section 153.034, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 153.034, to read as follows:

153.034. 1. The term "distributable property" of an electric company shall include all the real or tangible personal property which is used directly in the generation and distribution of electric power, but not property used as a collateral facility nor property held for purposes other than generation and distribution of electricity. Such distributable property includes, but is not limited to:

- (1) Boiler plant equipment, turbogenerator units and generators;
- (2) Station equipment;
- (3) Towers, fixtures, poles, conductors, conduit transformers, services and meters;
- (4) Substation equipment and fences;
- (5) Rights-of-way;
- (6) Reactor, reactor plant equipment, and cooling towers;
- (7) Communication equipment used for control of generation and distribution of power;
- (8) Land associated with such distributable property.

2. The term "local property" of an electric company shall include all real and tangible personal property owned, used, leased or otherwise controlled by the electric company not

EXPLANATION — Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

17 used directly in the generation and distribution of power and not defined in subsection 1 of
18 this section as distributable property. Such local property includes, but is not limited to:

- 19 (1) Motor vehicles;
- 20 (2) Construction work in progress;
- 21 (3) Materials and supplies;
- 22 (4) Office furniture, office equipment, and office fixtures;
- 23 (5) Coal piles and nuclear fuel;
- 24 (6) Land held for future use;
- 25 (7) Workshops, warehouses, office buildings and generating plant structures;
- 26 (8) Communication equipment not used for control of generation and distribution of
27 power;
- 28 (9) Roads, railroads, and bridges;
- 29 (10) Reservoirs, dams, and waterways;
- 30 (11) Land associated with other locally assessed property and all generating plant
31 land.

32 3. (1) Any real or tangible personal property associated with a project which uses
33 wind energy directly to generate electricity shall be valued and taxed by local authorities
34 having jurisdiction under the provisions of chapter 137 and any other relevant provisions of
35 law. The method of taxation prescribed in subsection 2 of section 153.030 and subsection 1
36 of this section shall not apply to such property.

37 (2) The real or tangible personal property referenced in subdivision (1) of this
38 subsection shall include all equipment whose sole purpose is to support the integration of a
39 wind generation asset into an existing system. Examples of such property may include, but
40 are not limited to, wind chargers, windmills, wind turbines, wind towers, and associated
41 electrical equipment such as inverters, pad mount transformers, power lines, storage
42 equipment directly associated with wind generation assets, and substations.

43 4. For any real or tangible personal property associated with a generation project
44 which was originally constructed utilizing financing authorized under chapter 100 for
45 construction, upon the transfer of ownership of such property to a public utility, such property
46 shall be valued and taxed by local authorities having jurisdiction under the provisions of
47 chapter 137 and any other relevant provisions of law. The method of taxation prescribed in
48 subsection 2 of section 153.030 and subsection 1 of this section shall not apply to such
49 property.

50 **5. Notwithstanding the provisions of subsection 1 of this section to the contrary,**
51 **the term "distributable property" shall not include any towers, poles, conduit**
52 **transformers, converter stations, and substation equipment that carry high-voltage,**
53 **direct current, electric transmission lines. Such towers, poles, conduit transformers,**

54 **converter stations, and substations shall be valued and taxed by local authorities having**
55 **jurisdiction under the provisions of chapter 137 and any other relevant provisions of**
56 **law. The method of taxation prescribed in subsection 2 of section 153.030 and**
57 **subsection 1 of this section shall not apply to such property.**

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