
Solar Energy Property Tax Exemption

Incentive Type: Property Tax Exemption

Eligible Renewable/Other Technologies: Passive Solar Space Heat, Solar Water Heat, Solar Space Heat, Solar Thermal Electric, Solar Thermal Process Heat, Photovoltaics, Solar Cooling, Solar Pool Heating, Daylighting

Applicable Sectors: Commercial, Industrial, Residential

Amount: 100% of increased value

Authority 1: A.R.S. §42-11054

Date Enacted: 6/21/2006

Expiration Date: None

Summary:

Arizona's property tax exemption was established in June 2006 ([HB 2429](#)) and applies to "solar energy devices and any other device or system designed for the production of solar energy for on-site consumption." For property tax assessment purposes, these devices are considered to add no value to the property.

A "solar energy device" for the purpose of this incentive is defined as "a system or series of mechanisms designed primarily to provide heating, to provide cooling, to produce electrical power, to produce mechanical power, to provide solar daylighting or to provide any combination of the foregoing by means of collecting and transferring solar generated energy into such uses either by active or passive means. Such systems may also have the capability of storing such energy for future utilization. Passive systems shall clearly be designed as a solar energy device such as a trombe wall and not merely a part of a normal structure such as a window."

Contact:

Tax Assistance
Arizona Department of Revenue
1600 W. Monroe
Phoenix, AZ 85007-2650
Phone: (602) 255-3381
Phone 2: (800) 352-4090
Web site: <http://www.revenue.state.az.us/>