

OFFICE OF FISCAL ANALYSIS

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HB-5442

AN ACT CONCERNING THE PROPERTY TAX EXEMPTION FOR
AND TAX AGREEMENTS RELATED TO CERTAIN CLASS I
RENEWABLE ENERGY SOURCES.

OFA Fiscal Note

State Impact: None

Municipal Impact:

Municipalities	Effect	FY 27 \$	FY 28 \$
Various Municipalities	Grand List Increase	See Below	See Below

Explanation

The bill (1) limits a solar property tax exemption to certain solar facilities that are permitted to operate beginning on July 1, 2026, (2) delays the implementation of this exemption by one year, and (3) permits municipalities to amend their 2025 grand list and issue certificates of correction to reflect this change. This results in a grand list increase to municipalities beginning in FY 27 that is dependent on what property would have or had already qualified for the exemption.¹

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

¹ A grand list increase results in a revenue gain to municipalities given a constant mill rate.