



MEMORANDUM

Date: April 6, 2020

To: The Honorable Chairman and Members
Pima County Board of Supervisors

From: C.H. Huckelberry
County Administrator 

Re: **August 2019, House Bill 2493, *Solar Energy Devices; Appraisal Methods***

In August 2019, House Bill 2493, Solar Energy Devices; Appraisal Methods, was enacted by the State of Arizona. This legislation changed the calculation of the Full Cash Value (FCV) for solar energy equipment used for on-site consumption. This legislation not only changed the method of calculating the FCV going forward, but also provided for the recalculation of the FCV for four tax years preceding the effective date of the new law.

Pima County has completed the recalculation of the FCV for all solar energy equipment located in Pima County and subject to these new rules. The information relating to each taxpayer's recalculated FCV will be sent to each solar company for review and confirmation in the format shown in the attached taxpayer letter.

Once the confirmation process is complete, the final data will be compiled for presentation to the Board of Supervisors for approval. Following approval by the Board of Supervisors, the property tax bills for each of the taxpayers will be recalculated with the approved FCV, and transmitted to the Pima County Treasurer for the processing of any refunds. The result of this recalculation is approximately \$3.1 million, of which Pima County's portion is approximately \$1.4 million.

CHH/anc

Attachment

c: Jan Leshar, Chief Deputy County Administrator
Michelle Campagne, Director, Finance and Risk Management
Patrick McGee, Budget Manager, Finance and Risk Management



April 3, 2020

Name
Street Address
City, State Zip

Re: HB2493 Solar Assessments - Revaluation

Dear Taxpayer,

On August 27, 2019, HB2493 *Solar Energy Devices; Appraisal Methods* was enacted. This Bill changed Arizona law that applies to the calculation of the Full Cash Value (FCV) for solar energy equipment used for on-site consumption, which is considered to be Personal Property. The legislation not only changed the method of calculating the FCV going forward, but also provided for recalculation of the FCV for tax years preceding the effective date of the new law.

Pima County has completed the recalculation of valuations pursuant to HB2493 for solar energy equipment subject to the Bill and located in Pima County. The information relating to your property is attached. The FCV as computed under the prior law is in the column entitled "Current FCV." The recommended new FCV is in the column entitled "HB2493 FCV."

Legal Classification: all accounts 1.13

Assessment Ratio: TY2015=18.5 TY2016-2018=18.0%

We are recommending that the FCV be changed to the HB2493 FCV in the attached document. Please review the information provided in this letter and attachment, and if it meets with your approval, sign the enclosed Acceptance and Authorization and return it to my attention. If you have any questions with regard to the new valuation amounts, please contact Patti Davidson at (520) 724-3691 (patti.davidson1@pima.gov) or Eric Howard at (520) 724-9991 (eric.howard@pima.gov). If you have legal questions or concerns, please direct them to Andrew Flagg at the Pima County Attorney's Office, (520) 724-5761 or andrew.flagg@pcao.pima.gov.

This recommendation is conditioned upon review and approval by the Board of Supervisors at a regularly-scheduled Board meeting, and it is null and void in the event the Board of Supervisors does not give its approval. After receipt of the authorization, we will submit a request to have the matter placed on the next Board of Supervisors meeting agenda for its review and decision. If the Board approves the recommendation, we will proceed to recalculate tax bills and transmit to the Treasurer for the processing of any refunds.

Sincerely,

Michelle Campagne
Director, Finance and Risk Management

Enclosure (1)

Michelle Campagne, Director

130 W. Congress, 6th Fl. Tucson, Arizona 85701-1317 • Phone: 520-724-8410 • Fax: 520-770-4173

ACCEPTANCE AND AUTHORIZATION

Year	Parent Company	Current FCV	HB2493 FCV
2015			

Year	Parent Company	Current FCV	HB2493 FCV
2016			

Year	Parent Company	Current FCV	HB2493 FCV
2017			

Year	Parent Company	Current FCV	HB2493 FCV
2018			

Pima County is recommending the total Full Cash Value (FCV) for tax years 2015 - 2018 be changed to the HB2493 FCV as shown above. This recommendation is conditioned upon review and approval by the Board of Supervisors (BOS) at a regularly scheduled Board meeting. Please indicate your acceptance of these recommended FCV's by signing below.

Print Name

Title

Signature

Date