



CEU Packet

1039 - Property Tax Assessment of Solar Farms in Indiana

04 APPRAISING PROPERTY

Description:

Solar energy is a rapidly growing industry with a short history. This makes solar property valuation challenging. Solar development also presents challenging considerations for local government officials. With enough information and a goal of fair treatment of solar properties, appraisers and officials can be ready to face these challenges head-on.

Start Date: 8/30/2021 4:15:00 PM

End Date: 8/30/2021 5:15:00 PM

Learning Outcomes:

1. Learn basic background information about solar farms
2. Learn how to assess and value solar farms
3. Learn important property tax considerations for solar farms

Presenters:

Bradley Berkemeier - Nexus Group

Property Tax Assessment of Solar Farms in Indiana
2021 IAAO Conference presentation outline
By Bradley Berkemeier, Nexus Group

1. INTRODUCTION (5 minutes)

- a. Employer background for Nexus Group
- b. Professional background for Bradley Berkemeier

2. SOLAR FARMS: GENERAL INFORMATION: (20 minutes)

- a. Overall background information
- b. Indiana assessment information

3. SOLAR FARMS: HOW TO ASSESS: (15 minutes)

- a. Land
 - Classification [commercial/industrial (primary/secondary/etc.), agricultural, per acre/site, etc.]
 - Valuation [three approaches to value, proposed Indiana legislation status]
- b. Improvements
 - Classification [real versus personal versus distributable]
 - Valuation [considerations for real property]

4. SOLAR FARMS: OVERALL ASSESSMENT CONSIDERATIONS: (15 minutes)

- a. “Bottom-line” value [cost/sales/income considerations]
- b. Deduction/abatement eligibility:
 - Deduction [review form (SES/WPD) and eligibility requirements (IC 6-1.1-12-26.1)]
 - Abatement [local decision; only improvements (real/personal/distributable) are eligible for abatement]

5. SUMMARY/CONCLUSION: (5 minutes)

- a. Some aspects of the assessment of solar farms are set by State guidelines, but others still require local decisions. Local decisions and treatment could certainly vary from County to County—but they might also be comparable! Whatever is decided, consistency will contribute to assessments that are “fair and equitable” from taxpayer to taxpayer/property to property, and to policies that local taxpayers can understand and support, if their interests are “to be fair, pay my fair share, etc.”
- b. **STRONGLY ENCOURAGE:** Establishing written county-specific guidelines for solar farms
- c. **STRONGLY ENCOURAGE:** Assessors and Auditors working together to ensure that assessments and abatements are administered properly for taxpayers—and local governments!
- d. **STRONGLY ENCOURAGE:** County Assessors and other officials working with each other to insure assessment consistency across county lines, where appropriate and possible (taxpayers with farms in more than one county, appeal result in one county may establish precedence for comparable farms in other counties, etc.)

BRADLEY BERKEMEIER
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EDUCATION:

- ✓ Rushville Consolidated High School, Rushville, Indiana
 - graduated salutatorian 1998
- ✓ Wabash College, Crawfordsville, Indiana
 - graduated *cum laude* 2002 (major: chemistry; minors: French, philosophy)
- ✓ Indiana University School of Medicine, Indianapolis, Indiana
 - graduated 2006 (M.S. in cellular & integrative physiology)

EMPLOYMENT in the assessment field:

- ❖ Deputy assessor-Rush County Assessor's office (2002-2004)
- ❖ Property tax consultant/district coordinator-Nexus Group (2004-present)

EDUCATION in the assessment field:

- ✓ Indiana certified level I assessor/appraiser (2003)
- ✓ Indiana certified level II assessor/appraiser (2004)
- ✓ Indiana certified level III assessor/appraiser (2013)
- ✓ IAAO candidate for AAS designation

- ❖ IAAO courses completed:
 - 101 (Real Property Appraisal)
 - 102 (Income Approach to Value)
 - 300 (Fundamentals of Mass Appraisal)
 - 400 (Assessment Administration)
 - 402 (Tax Policy)
 - USPAP 151 & Online Workshop 171

NEXUS GROUP EXPERIENCE:

- ✓ New Construction Valuation
- ✓ Cost, Income, & Sales Comparison Approach Valuations
- ✓ Appeals
- ✓ Trending/Annual Adjustment/Ratio Studies
- ✓ Reassessment Management
- ✓ Commercial/Industrial Market Segmentation
- ✓ Assessor/Local Government Training, Continuing Education Instruction
- ✓ Special Purpose Property Valuation
- ✓ Abatement/Deduction Review
- ✓ Residential rental property databases and valuation