

**437A.6 Replacement tax imposed on electric generation.**

1. A replacement generation tax of six hundredths of a cent per kilowatt-hour of electricity generated within this state during the tax year is imposed on every person generating electricity, except electricity generated by the following:

- a. A low capacity factor electric power generating plant.
- b. Facilities owned by or leased to a municipal utility when devoted to public use and not held for pecuniary profit, except facilities of a municipally owned electric utility held under joint ownership or lease and facilities of an electric power facility financed under chapter 28F or 476A.
- c. Wind energy conversion property subject to section 427B.26 or eligible for a tax credit under chapter 476B.
- d. Methane gas conversion property subject to section 427.1, subsection 29, to the extent the property is used in connection with, or in conjunction with, a publicly owned sanitary landfill or used to collect waste that would otherwise be collected by, or deposited with, a publicly owned sanitary landfill.
- e. Facilities owned by or leased to a state university or university of science and technology, to the extent electricity generated by such facilities is consumed exclusively by such state university or university of science and technology.
- f. On-site facilities wholly owned by or leased in their entirety to a self-generator.

2. In lieu of the replacement generation tax imposed in subsection 1, a replacement generation tax of one thousand eight hundred forty-seven ten-thousandths of a cent per kilowatt-hour of electricity generated within this state during the tax year is imposed on every hydroelectric generating power plant with a generating capacity of one hundred megawatts or greater.

3. In lieu of the replacement generation tax imposed in subsection 1, a replacement generation tax of one thousand ninety-nine ten-thousandths of a cent per kilowatt-hour of electricity generated within this state during the tax year is imposed on every electric company which owns a joint interest in an electric power generating plant in this state and which has a joint interest in less than five pole miles of transmission lines in this state.

4. For purposes of this section, if a generation facility is jointly owned or leased, the number of kilowatt-hours of electricity subject to the replacement generation tax shall be the number of kilowatt-hours of electricity generated and dispatched by the jointly held generation facility to the account of the taxpayer.

5. For purposes of this section, the number of kilowatt-hours generated by a generation facility shall exclude any kilowatt-hours used to operate that generation facility.

98 Acts, ch 1194, §7, 40; 2000 Acts, ch 1114, §5, 6, 17, 18; 2001 Acts, ch 145, §3, 13; 2001 Acts, 1st Ex, ch 4, §6, 36; 2004 Acts, ch 1175, §408, 418; 2009 Acts, ch 179, §225 – 227

2009 amendment to subsection 1, paragraph d, takes effect May 26, 2009, and applies retroactively to assessment years beginning on or after January 1, 2008; exemption claims for 2008 and 2009 assessment years to be filed on or before June 30, 2009; 2009 Acts, ch 179, §226, 227