

proved, an appraiser must determine whether a homestead damaged by a natural disaster has been repaired or improved. Op. Tex. Atty Gen. No. GA-0091 (2003).

**Sec. 23.24. Furniture, Fixtures, and Equipment.**

(a) If real property is appraised by a method that takes into account the value of furniture, fixtures, and equipment in or on the real property, the furniture, fixtures, and equipment shall not be subject to additional appraisal or taxation as personal property.

(b) In determining the market value of the real property appraised on the basis of rental income, the chief appraiser may not separately appraise or take into account any personal property valued as a portion of the income of the real property, and the market value of the real property must include the combined value of the real property and the personal property.

(Enacted by Acts 1999, 76th Leg., ch. 479 (S.B. 1464), § 1, effective September 1, 1999; am. Acts 2009, 81st Leg., ch. 1211 (S.B. 771), § 2, effective January 1, 2010.)

**Sec. 23.25. Appraisal of Land Used for Single-Family Residential Purposes That Is Contiguous to Agricultural or Open-Space Land with Common Ownership.**

(a) This section applies only to the appraisal of a parcel of land that:

- (1) is used for single-family residential purposes; and
- (2) is contiguous to a parcel of land that is:
  - (A) appraised under Subchapter C or D; and
  - (B) owned by:
    - (i) the same person;
    - (ii) the person's spouse;
    - (iii) an individual related within the first degree of consanguinity to the person; or
    - (iv) a legal entity that is affiliated with the person.

(b) In appraising the parcel of land, the chief appraiser shall:

- (1) determine the price for which the parcel of land being appraised and the contiguous parcel of land described by Subsection (a)(2) would sell if both parcels were sold as a single combined parcel of land; and
- (2) attribute a portion of the amount determined under Subdivision (1) to the parcel of land being appraised based on the proportion that the size of the parcel of land being appraised bears to the size of the single combined parcel of land described by Subdivision (1).

(c) If the chief appraiser uses the market data comparison method of appraisal to appraise the parcel of land, the chief appraiser may not use comparable sales data pertaining to the sale of land located in the corporate limits of a municipality.

(Enacted by Acts 2007, 80th Leg., ch. 1112 (H.B. 3630), § 1, effective January 1, 2008.)

**Sec. 23.26. [Effective January 1, 2014] Solar Energy Property.**

(a) In this section, "solar energy property" means a "solar energy device" as defined by Section 11.27(c)(1) that is used for a commercial purpose, including a commercial storage device, power conditioning equipment, transfer equipment, and necessary parts for the device and equipment.

(b) This section applies only to solar energy property that is constructed or installed on or after January 1, 2014.

(c) The chief appraiser shall use the cost method of appraisal to determine the market value of solar energy property.

(d) To determine the market value of solar energy property using the cost method of appraisal, the chief appraiser shall:

- (1) use cost data obtained from generally accepted sources;
- (2) make any appropriate adjustment for physical, functional, or economic obsolescence and any other justifiable factor and
- (3) calculate the depreciated value of the property by using a useful life that does not exceed 10 years.

(e) The chief appraiser may not in any tax year determine the depreciated value under Subsection (d)(3) to be less than 20 percent of the value computed after making appropriate adjustments under Subsection (d)(2) to the value determined under Subsection (d)(1). *No more than a 20% reduction in any given year.*

(Enacted by Acts 2013, 83rd Leg., ch. 687 (H.B. 2500), § 1, effective January 1, 2014.)

**Secs. 23.27 to 23.40. [Reserved for expansion].**

**SUBCHAPTER C  
LAND DESIGNATED FOR AGRICULTURAL USE**

*ITC*

**Sec. 23.41. Appraisal.**

(a) Land designated for agricultural use is appraised at its value based on the land's capacity to produce agricultural products. The value of land based on its capacity to produce agricultural products is determined by capitalizing the

Solar Farm Original Cost	ITC Adjustment	ITC RCN Adjustment Amount
\$250,000,000	0.06	\$15,000,000
\$250,000,000	0.12	\$30,000,000
\$250,000,000	0.18	\$45,000,000
\$250,000,000	0.24	\$60,000,000
\$250,000,000	0.3	\$75,000,000

	Solar Farm RCN	ITC RCN Adjustment	Adjusted RCN	Depreciation 10 yr/20% Floor	Estimated Market Value
Year 1	\$250,000,000	\$15,000,000	\$235,000,000	0.9310	\$218,785,000
Year 2	\$242,500,000	\$30,000,000	\$212,500,000	0.8564	\$181,985,000
Year 3	\$235,225,000	\$45,000,000	\$190,225,000	0.7759	\$147,595,578
Year 4	\$228,168,250	\$60,000,000	\$168,168,250	0.6889	\$115,851,107
Year 5	\$221,323,203	\$75,000,000	\$146,323,203	0.5950	\$87,062,305
Year 6	\$214,683,506	\$0	\$214,683,506	0.4936	\$105,967,779
Year 7	\$208,243,001	\$0	\$208,243,001	0.3841	\$79,986,137
Year 8	\$201,995,711	\$0	\$201,995,711	0.2658	\$53,690,460
Year 9	\$195,935,840	\$0	\$195,935,840	0.2000	\$39,187,168
Year 10	\$190,057,765	\$0	\$190,057,765	0.2000	\$38,011,553

Solar technology is getting cheaper to build like wind farms.

Therefore a more realistic approach would be to reduce the RCN not increase it for now.

**This spread sheet is for "estimates" only. September 14, 2020**

Original Cost	20% Floor	Lowest Value Limit
\$250,000,000	0.20	\$50,000,000

The limit is 20% of current RCN not original cost.

Solar Farm Original Cost	ITC Adjustment	ITC RCN Adjustment Amount
\$100,000,000	0.06	\$6,000,000
\$100,000,000	0.12	\$12,000,000
\$100,000,000	0.18	\$18,000,000
\$100,000,000	0.24	\$24,000,000
\$100,000,000	0.3	\$30,000,000

	Solar Farm RCN	ITC RCN Adjustment	Adjusted RCN	Depreciation 10 yr/20% Floor	Estimated Market Value
Year 1	\$100,000,000	\$6,000,000	\$94,000,000	0.9310	\$87,514,000
Year 2	\$97,000,000	\$12,000,000	\$85,000,000	0.8564	\$72,794,000
Year 3	\$94,090,000	\$18,000,000	\$76,090,000	0.7759	\$59,038,231
Year 4	\$91,267,300	\$24,000,000	\$67,267,300	0.6889	\$46,340,443
Year 5	\$88,529,281	\$30,000,000	\$58,529,281	0.5950	\$34,824,922
Year 6	\$85,873,403	\$0	\$85,873,403	0.4936	\$42,387,112
Year 7	\$83,297,200	\$0	\$83,297,200	0.3841	\$31,994,455
Year 8	\$80,798,284	\$0	\$80,798,284	0.2658	\$21,476,184
Year 9	\$78,374,336	\$0	\$78,374,336	0.2000	\$15,674,867
Year 10	\$76,023,106	\$0	\$76,023,106	0.2000	\$15,204,621

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Original Cost	20% Floor	Lowest Value Limit
\$100,000,000	0.20	\$20,000,000

The limit is 20% of current RCN not original cost.