



STATE OF MICHIGAN  
OFFICE OF THE GOVERNOR  
LANSING

GRETCHEN WHITMER  
GOVERNOR

GARLIN GILCHRIST II  
LT. GOVERNOR

December 30, 2020

Michigan Senate  
State Capitol Building  
Lansing, MI 48909-7536

Senators,

Today I am returning Enrolled Senate Bills 1105 and 1106 to you without my approval.

These bills would exempt certain large-scale solar energy projects from property taxes and instead subject them to an annual payment in lieu of taxes equal to \$4,000 per megawatt of nameplate capacity.

Creating taxation structures appropriate to solar energy projects is an important issue worthy of serious consideration. That is why the State Tax Commission (STC) convened a Solar Panel Ad Hoc Committee to produce a report that considers the issues involving statewide valuation and assessment of large-scale solar projects. The report and recommendation of that committee was presented at the meeting of the STC only two weeks ago.

Significantly, the exemptions provided by this bill would not take effect until the 2023 tax year—there was no reason to rush this to my desk. Because the legislature has not yet had the opportunity to consider the recommendations of the STC's Solar Panel Ad Hoc Committee in formulating its approach to taxation of large-scale solar energy projects, I am vetoing this legislation.

Respectfully,

A handwritten signature in blue ink, appearing to read "Gretchen Whitmer".

Gretchen Whitmer  
Governor