

State Tax Commission March 1, 2011 Tip
Topic: Wind Energy



Dear STaCy,

I am blown away by the wind energy projects. One thing I need clarification on is the correct classification of the “parts” of the system. I understand that the wind tower and base are industrial personal, but what about the cable leading to the wind tower that transmits the electricity?

Sincerely,
Windy Lou Who

Dear Ms. Who,

MCL 211.34c pretty clearly defines the classification for electric transmission and distribution as utility personal. Therefore, the Commission would say that the cables leading away from the transformer at the base of the tower should be classified as utility personal. While we are going to conduct a review of the valuation procedure in the near future, for 2011 these cables should be reported on Form 3589 Table I.

Sincerely,
STaCy