

State Tax Commission
List of Commonly Approved Air Pollution Control Equipment

Equipment which controls, captures, and removes pollutants from the air stream and meets the definition of an air pollution control facility as contained in Part 59, Air Pollution Control Facility; Tax Exemption; of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended(Act 451).

Pollution Control Equipment includes, but is not limited to, the following:

Thermal Oxidizers, Afterburners (commonly tax exempt - This can include different types of oxidizers and may or may not qualify dependent upon how the emissions are treated.)

Street Sweepers (sometimes tax exempt - This is a mobile vehicle and the entire vehicle may or may not qualify.)

Roads (rarely tax exempt - Unpaved roads used by trucking industries may be paved and the costs of the real property improvements to the road may qualify.)

Baghouses, Cyclones & Multi-Clones, Settling Chambers (commonly tax exempt - These are the most common types of exemption requests received under air pollution control. This is a complex system that may include, but is not limited to, scrubbers, smoke stacks, filters, fans, motors and dust collectors. These pieces could be applied for separately or collectively. Occasionally, they are for business benefit as the reclaimed material is used.)

Primer Recovery Systems (partially/sometimes tax exempt - These systems can include filters, rotors, fans, and ductwork and may or may not qualify for the exemption. These are often put in place to recover materials that can be used and may be for the benefit of the company instead of the public.)

Water Spray Truck (commonly tax exempt - This is a mobile vehicle transported to construction sites to reduce the dust created from construction and may or may not qualify for the exemption.)

Dry Cask Spent Fuel Storage (This is an extremely complex system and the items included are highly technical, but can also include foundations or cement slabs. These casks store spent nuclear fuel and may or may not qualify.)

Emissions Monitory Systems, Continuous Emissions Monitoring Systems (CEMS) (commonly tax exempt - These are computer systems designed to monitor VOC and HAP emissions. They may or may not qualify.)

Electrostatic Precipitators (ESP), Flue Gas Desulphurization (FGD), Activated Carbon or Sorbent Injection Systems, Flue Gas Conditioning Systems, Selective Catalytic Converters (SCRs) and other catalytic conversion systems (commonly tax exempt)

Conveying and Disposal Systems (partially/sometimes tax exempt - Used for air pollution control equipment waste streams, flares, and condensers.)

Low-NOx Combustion Systems (commonly tax exempt - Includes the controls.)

Landfill Systems (commonly tax exempt - This may include landfill gas collection, monitoring, extraction equipment and systems, flares, and gas transmission equipment. Often the gas is sold or converted to electricity which should reduce exemption.)

Water Wash & Dry Filter Collectors on Paint Spray Booths (commonly tax exempt - The remainder of the paint spray booth is necessary to the process, benefit to business or protection of worker health and does not qualify. The water wash paint spray booth costs are generally reduced by 50%. The dry filter system requires a cost breakdown for filters, supports, fans, and motors.)

Wet Scrubber, Packed Scrubbers, Absorption Units (commonly tax exempt)

Condensers (sometimes tax exempt - Many capture significant quantities of product and, therefore, are of benefit to business, although many simply control emissions.)

Mist Eliminators (commonly tax exempt)

Vapor Recover Units (commonly tax exempt)

Ancillary Equipment:

Foundations and Structural Equipment for Exempt Equipment

Equipment Enclosures or Buildings that Provide Weather Protection to Exempt Equipment

Staircases that Allow Access to Exempt Equipment

Electrical Equipment for Exempt Equipment

Instrumental and Other Equipment for Safer or Quieter Operation of Exempt Equipment

Equipment Used for Service or Maintenance of Exempt Equipment

Equipment Used to Treat an Exempt Collector Inlet Gas Stream (Flue gas conditioning equipment, quench sections, gas humidifying equipment, straightening vanes, etc.)

Equipment used to Prepare and Supply the Scrubber Liquor to an Exempt Wet Collector and Equipment Used to Properly Treat the Effluent Discharge from an Exempt Wet Collector (i.e., water service equipment, re-circulation, pH control equipment, pumps, piping, valves, holding tanks, sludge treatment equipment, disposal ponds, etc.)

Equipment Used to Properly Transfer, Store, Handle, and Prepare for Disposal of Contaminants Collected by Exempt Equipment (i.e., discharge hoppers, augers, conveyors and enclosures, belts and enclosures, buckets elevators, storage hoppers, water sprays, and dust control enclosures.)

Modifications to Process Equipment or Buildings that were Necessitated by the Addition of Exempt Equipment

Fans, Motors, Ductwork, Stacks, In-Stack Monitors, and Some Ambient Air Monitors (Some of this equipment's purpose is to protect the health and comfort of workers and, thus, are considered partially a benefit to personnel.)

Air Pollution Prevention:

Fuel Desulphurization Equipment Which Reduces the Sulfur Content of Fuel to be Burned in the Applicant's Process of Fuel Burning Equipment

Aerators Used to Aerate Disposal Lagoons for Odor Control

Dust Suppression Equipment and Practices Such as Sprinkler Systems, Storage Pile Enclosures, Conveyor Transfer Points, Dump Hopper Enclosures, etc.

Emergency Chemical Containment Pits Which Prevent Excessive Vaporization and Enable Application of a Scrubbing System

Burner Conversions:

Auxiliaries to Condition the Temperature and Viscosity of the Fuel to Promote Better Atomization and Combustion

Flame Safety Devices

Steam, Mechanical, or other Automization Equipment and Associated Piping

Fans or Pumps and Associated Piping and Ductwork, Which Move or Pressurize a Mixture of Air and Fuel that Passes Through the Burner or Combustion Air

Landfills:

Collection systems for landfill gases may meet the requirements of Part 59.

Nuclear Power Plants:

Several systems at a nuclear power plant limit the uncontrolled release of radioactive materials to the environment which, if released, might result in undue risk to the health and safety of the public. Such systems meet the definition of an air pollution facility as contained in Act 451. However, many of these systems also protect the general public and plant employees from direct radiation, radioactive materials, and the plant investment. In these cases, incremental costs may qualify for exemption. Examples for partial exemption are: containment structures, containment spray systems, emergency core cooling systems, gaseous waste disposal systems, emergency power generating systems, and radiation monitoring equipment.

Incinerators:

A properly designed and operated incinerator equipped with a pollution control device qualifies for exemption provided it is not operated for the benefit of business.

Compactors and Balers:

Solid waste compactors and balers installed at a new merchandising store meet the requirements of Part 59.

Miscellaneous Costs:

Administrative fees, contingency costs, engineering costs, feasibility costs, freight charges, installation costs, insurance fees, interest charges, start-up costs, legal fees and taxes (does not include exempt taxes).

Process Change:

A process change involving production equipment made to satisfy the requirements of Part 55, Air Pollution Control, of Act 451, meet the definition of an air pollution control facility as contained in Part 59. For process changes, the maximum cost allowed for tax exemption will be the lesser of 25% of the cost of the new process unit plus 100% of the cost of its related air pollution control equipment or the cost of conventional equipment applied on the basis of the new equipment process production rate on the pre-existing process. Examples of qualifying process change include: replacement of cupolas with electric furnaces, replacement of larry car charging systems with pipeline charging systems on coke oven batteries, and replacement of coal fired boilers with compressors for supplying air to forging hammers.

Non-Exempt Equipment:

Equipment used to handle, convey, transport, transfer or store raw materials or finished products. Equipment used for bypassing air pollution control equipment. Cooling towers, make-up units, fences, and process equipment. Equipment used to prepare and return collected contaminants to the process. Equipment used to manufacture air pollution control equipment.