

Property:

Texas Appellate Court Says Wind Farm Valuation Erroneously Included Nontaxable Intangible Personal Property

Case No. 04-22-00524-CV, Tex. App., 4th Dist. (12/31/24). In a case of “first impression concerning the ad valorem tax valuation of an operational utility-scale wind farm consisting of several wind turbine generators,” the Texas Fourth Court of Appeals (Court) agreed with the taxpayer that the trial court “erroneously admitted irrelevant, unreliable expert testimony” from the local taxing jurisdiction where the jury wound up relying on improperly admitted expert testimony that “wrongfully included nontaxable intangible personal property in the expert’s valuation.” Accordingly, the Court reversed the lower court ruling and remanded the case “for a new trial to determine the 2018 ad valorem tax valuation” of the property that does *not* include nontaxable, intangible personal property. In this case, the underlying intangible personal property at issue consisted of certain federal production tax credits and power purchase agreements related to wind farms. Please contact us with any questions.

URL: <https://search.txcourts.gov/SearchMedia.aspx?MediaVersionID=f47987cd-8c3b-408e-80f4-8179613bce32&coa=coa04&DT=Opinion&MediaID=eeee327e-3b2c-4213-887c-7035cd644de5>

— Marcia Shippey-Pryce (Atlanta)
Managing Director
Deloitte Tax LLP
mshippeypryce@deloitte.com

Alex Moradi (Dallas)
Senior Manager
Deloitte Tax LLP
almoradi@deloitte.com

Donna Empson-Rudolph (Houston)
Senior Manager
Deloitte Tax LLP
dempsonrudolph@deloitte.com

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