



# **Governor's Office of Energy**

## **Green Building Tax Incentive Program (GBTA)**

### **FAQ's**

**Q:** What is the criteria to be eligible for the property tax abatement?

**A:** Building owners may be eligible for the property tax abatement for renovating or constructing new buildings that was built to LEED or Green Globes standards. A building must meet the equivalent of the silver level under the LEED standard or rating of two globes under the Green Globes standard. The terms and duration of the tax abatement are based upon the number of points awarded for energy conservation and energy performance. Projects are required to submit documentation that demonstrates the energy efficiencies achieved are maintained for the duration of the tax abatement.

**Q:** How do I apply?

**A:** Once the owner obtains a building permit or certificate of occupancy and the project is registered with the US Green Building Council (USGBC) or Green Building Initiative (GBI) the owner applies for the tax abatement with the Governor's Office of Energy (GOE). New Construction or Core and Shell projects must submit an application within 120 days of receiving local government approval and Existing projects must submit an application within 120 days of registering with the USGBC or GBI. The project registration form and the application fee \$1,750 are remitted to the GOE, upon receipt of all information the applicant will be notified in writing acknowledging the project has been registered.

**Q:** How much does it cost to apply?

**A:** An applicant shall pay the \$1,750 application fee with the submission of the application to the GOE.

**Q:** Is the tax abatement per building, per project, or per parcel number?

**A:** The GBTA awards the tax abatement for projects that are LEED or Green Globes certified per building or structure. Projects may have multiple buildings, campus or multi-building settings, and may have one or many different parcel numbers.

**Q:** What happens if the scope of the project changes?

**A:** An applicant should report a change by more than 10 percent in the gross square footage or estimated costs of any building or other structure which will change the amount of the partial tax abatement being sought by more than 10 percent, or a change in the level of certification of any building, which will affect

the amount of the partial property tax abatement being sought. Once a certificate of eligibility is issued the owner cannot change an application.

Q: How soon will I get the tax abatement?

A: It depends on when a certificate of eligibility is issued. If the certificate of eligibility is granted between July 1<sup>st</sup> and March 31<sup>st</sup> the abatement becomes effective on July 1<sup>st</sup> of that year. If it is granted between April 1<sup>st</sup> and June 30<sup>th</sup> the abatement becomes effective on July 1<sup>st</sup> of the following fiscal year.

Please note, the certificate of eligibility application must be received by December 1<sup>st</sup> of the previous year, in order to process the tax abatement to be effective July 1<sup>st</sup> of that fiscal year.

Q: What are the financial benefits?

A: The incentives range from 25% to 35% of the property taxes paid for a period of five to ten years, depending on the building's certification level. The abatement percentage and duration of the tax abatement is determined by points awarded for energy conservation.

Q: How long will I receive the tax abatement?

A: The points achieved in the 'Energy Performance' category are used to determine the length of the abatement, which can be anywhere from 5-10 years, except in the case of existing buildings, in which the abatement is limited to 5 years. For further information refer to NAC 701A.280.

Q: As a homeowner am I eligible for the partial property tax abatement?

A: No, it is designed to offset the cost to businesses that build sustainable commercial buildings.

Q: Are there other program requirements that I need to know?

A: After the third year of receiving the tax abatement there are annual compliance reports due each year, before March 15<sup>th</sup>. After the third year of receiving the tax abatement a recertification of project from a third-party commissioning firm or third-party assessor is required. Particular focus and emphasis is on certifying that the energy conservation measures upon which the certificate of eligibility was based are still being achieved and the building is still operating in general compliance with the original project requirements. For further information refer to NAC 701A.260