

ILLINOIS POLLUTION CONTROL BOARD
November 2, 2017

MACDONALD FARMS, LLC)
(Property Identification Number 04-04-04-400-)
014))
)
Petitioner,)
) PCB 18-17
v.) (Tax Certification - Water)
)
ILLINOIS ENVIRONMENTAL)
PROTECTION AGENCY,)
)
Respondent.)

ORDER OF THE BOARD (by K. Papadimitriou):

On October 20, 2017, the Illinois Environmental Protection Agency (Agency) filed a recommendation that the Board certify certain facilities of MacDonald Farms, LLC (MacDonald) as “pollution control facilities” for preferential tax treatment under the Property Tax Code. *See* 35 ILCS 200/11-5 *et seq.* (2016); 35 Ill. Adm. Code 125. MacDonald’s livestock waste management facilities are located at 1866 170th Avenue, in Reynolds, Mercer County. In this order, the Board describes the legal framework for tax certifications, discusses the Agency’s recommendation, and certifies that MacDonald’s identified livestock waste management facilities are pollution control facilities.

LEGAL FRAMEWORK

Under the Property Tax Code, “[i]t is the policy of this State that pollution control facilities should be valued, at 33 1/3% of the fair cash value of their economic productivity to their owners.” 35 ILCS 200/11-5 (2016); *see also* 35 Ill. Adm. Code 125.200(a)(2). “For tax purposes, pollution control facilities shall be certified as such by the Pollution Control Board and shall be assessed by the Department [of Revenue].” 35 ILCS 200/11-20 (2016); *see also* 35 Ill. Adm. Code 125.200(a). Under the statute, the Board determines if the facilities are pollution control facilities; however, the Board is not authorized to assess a value of those facilities.

Under Section 125.202 of the Board’s procedural rules, a person may submit an application for tax certification to the Agency. *See* 35 Ill. Adm. Code 125.202. If the Agency receives a tax certification application, the Agency must file with the Board a recommendation on the application, unless the applicant withdraws the application. *See* 35 Ill. Adm. Code 125.204(a). Among other things, the Agency’s filing must recommend that the Board issue or deny tax certification. *See* 35 Ill. Adm. Code 125.204(a)(4). If the Board finds “that the claimed facility or relevant portion thereof is a pollution control facility . . . , the Pollution Control Board . . . shall enter a finding and issue a certificate to that effect.” 35 ILCS 200/11-25 (2016); *see also* 35 Ill. Adm. Code 125.216(a).

AGENCY RECOMMENDATION

The Agency states that it received a tax certification application from MacDonald on February 6, 2017.¹ Rec. at 1. On October 20, 2017, the Agency filed a recommendation with the Board, attaching MacDonald's application (Rec. Exh. A). The Agency's recommendation identifies the facilities at issue:

Livestock waste management facilities consisting of: a slurry storage structure (approximately 42 ft. diameter x 18 ft. tall); a concrete reception pit (approximately 10 ft. x 20 ft. x 8 ft. deep); a PVC underground pipe (approximately 8 in. diameter x 225 ft. long); an approximately 10 ft. x 100 ft. x 2 ft. deep concrete waste pit; an approximately 120 ft. x 40 ft. x 8 ft. deep concrete waste pit; an approximately 40 ft. x 20 ft. x 4 ft. deep concrete waste pit; an approximately 80 ft. x 20 ft. x 4 ft. deep concrete pit; two approximately 40 ft. x 20 ft. x 7 ft. deep concrete waste pits; two approximately 45 ft. x 20 ft. x 7 ft. deep concrete waste pits; an approximately 50 ft. x 40 ft. x 8 ft. deep concrete pit; three concrete pump out ports (approximately 4 ft. x 4 ft. x 4ft. deep); one concrete pump out port (approximately 4 ft. x 4 ft. x 8 ft. deep); the scraper in the middle building; and the slotted floors over the pits in the nursery building, the west building, the east building, and a 10 ft. x 100 ft. area in the center of the middle building. *Id.* at 1-2.

The Agency recommends that the Board certify that the livestock waste handling facilities are pollution control facilities as defined in Section 11-10 of the Property Tax Code (35 ILCS 200/11-10 (2016)) with the "primary purpose of eliminating, preventing, or reducing water pollution." Rec. at 3.

TAX CERTIFICATE

Based upon the Agency's recommendation, MacDonald's application, and the Board's technical review, the Board finds and certifies that MacDonald's livestock waste management facilities identified in this order are pollution control facilities under the Property Tax Code (35 ILCS 200/11-10 (2016)). The Board makes no finding regarding the assessed value of those facilities. Under Section 11-25 of the Property Tax Code, the effective date of this certificate is "the date of application for the certificate or the date of the construction of the facility, which ever is later." 35 ILCS 200/11-25 (2016); *see also* 35 Ill. Adm. Code 125.216(a). Section 125.216(d) of the Board's procedural rules states that the Clerk "will provide the applicant and the Agency with a copy of the Board's order setting forth *the Board's findings and certificate, if any.*" 35 Ill. Adm. Code 125.216(d) (quoting in italics 35 ILCS 200/11-30 (2016)). The Clerk therefore will provide MacDonald and the Agency with a copy of this order.

IT IS SO ORDERED.

Section 11-60 of the Property Tax Code provides that any applicant or holder aggrieved by the issuance, refusal to issue, denial, revocation, modification or restriction of a pollution control certificate or a low sulfur dioxide emission coal fueled device certificate may appeal the

¹ The Agency's recommendation is cited as "Rec. at _."

Board's finding and order to the Circuit Court under the Administrative Review Law (735 ILCS 5/3-101 *et seq.* (2016)). *See* 35 ILCS 200/11-60 (2016). Filing a motion asking that the Board reconsider this final order is not a prerequisite to appealing the order. 35 Ill. Adm. Code 101.902.

Names and Addresses for Receiving Service of Any Petition for Review Filed with the Appellate Court	
Parties	Board
MacDonald Farms, LLC. Attn: C. Jay MacDonald 1721 Hwy 94 Reynolds, IL 61279	Illinois Pollution Control Board Attn: Don A. Brown, Clerk James R. Thompson Center 100 West Randolph Street, Suite 11-500 Chicago, Illinois 60601
Illinois Environmental Protection Agency Attn: Roberto M. Durango 1021 North Grand Avenue East P.O. Box 19276 Springfield, IL 62794 Roberto.Durango@illinois.gov	

I, Don A. Brown, Clerk of the Illinois Pollution Control Board, certify that the Board adopted the above order on November 2, 2017, by a vote of 5-0.



Don A. Brown Clerk
 Illinois Pollution Control Board