

ILLINOIS POLLUTION CONTROL BOARD

March 17, 2016

STEFFES REGISTERED HOLSTEINS)	
(Property Identification Number 23-000-444-)	
00))	
)	
Petitioner,)	
)	
v.)	PCB 16-86
)	(Tax Certification - Water)
ILLINOIS ENVIRONMENTAL)	
PROTECTION AGENCY,)	
)	
Respondent.)	

ORDER OF THE BOARD (by J.A. Burke):

On February 23, 2016, the Illinois Environmental Protection Agency (Agency) filed a recommendation that the Board certify livestock waste handling facilities of Steffes Registered Holsteins (Steffes) as pollution control facilities for preferential tax treatment under the Property Tax Code. *See* 35 ILCS 200/11-5 *et seq.* (2014); 35 Ill. Adm. Code 125. Steffes' livestock waste handling facilities are located at 5127 East Bethel Road, in Elizabeth, Jo Daviess County. In this order, the Board describes the legal framework for tax certifications, discusses the Agency's recommendation, and certifies that Steffes' identified livestock waste handling 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 (2014); *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 (2014); *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 (2014); *see also* 35 Ill. Adm. Code 125.216(a).

AGENCY RECOMMENDATION

The Agency states that it received a tax certification application from Steffes on July 10, 2015. Rec. at 1. On February 23, 2016, the Agency filed a recommendation with the Board, attaching Steffes' application. The Agency's recommendation identifies the facilities at issue:

Livestock waste handling facilities consisting of one semi-underground concrete waste storage tank (approximate diameter of 146 ft. and height of 12 ft.), connected to one 85 ft. x 8 ft. concrete channel built to allow transport of livestock waste to the tank. Rec. at 1.

The Agency further describes the facilities as "used to contain livestock waste prior to cropland application." Rec. at 1.

The Agency recommends that the Board certify that the facilities are pollution control facilities as defined in Section 11-10 of the Property Tax Code (35 ILCS 200/11-10 (2014)) with the primary purpose of "eliminating, preventing, or reducing water pollution, or as otherwise provided in 35 Ill. Adm. Code 125.200." Rec. at 2.

TAX CERTIFICATE

Based upon the Agency's recommendation, Steffes' application, and the Board's technical review, the Board finds and certifies that Steffes' livestock waste facilities identified in this order are pollution control facilities under the Property Tax Code (35 ILCS 200/11-10 (2014)). 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 (2014); *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 (2014)). The Clerk therefore will provide Steffes 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 Board's finding and order to the Circuit Court under the Administrative Review Law (735 ILCS 5/3-101 *et seq.* (2014)). *See* 35 ILCS 200/11-60 (2014).

I, John T. Therriault, Clerk of the Illinois Pollution Control Board, certify that the Board adopted the above order on March 17, 2016, by a vote of 5-0.



John T. Therriault, Clerk

Illinois Pollution Control Board