
A BILL FOR AN ACT

RELATING TO THE ENVIRONMENT.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Chapter 235, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:
4 "235- Green technology facility tax credit. (a)
5 There shall be allowed to each taxpayer subject to the taxes
6 imposed by this chapter, a green technology facility tax credit
7 that shall be deductible from the taxpayer's net income tax
8 liability, if any, imposed by this chapter for the taxable year
9 in which the credit is properly claimed. The amount of the tax
10 credit claimed under this section shall be equal to per cent
11 of the qualified costs incurred by the taxpayer in acquiring a
12 green technology facility. To qualify for the tax credit, the
13 green technology facility shall be located in Hawaii and shall
14 have been operational for at least one year prior to claiming
15 the tax credit.
16 In the case of a partnership, S corporation, estate, trust,
17 or association of apartment owners, the tax credit allowable is
18 for qualified costs incurred by the entity. The cost upon which



1 credit may be claimed. Failure to comply with the foregoing
2 provision shall constitute a waiver of the right to claim the
3 credit.

4 (c) The director of taxation shall prepare any forms that
5 may be necessary to claim a credit under this section. The
6 director may also require the taxpayer to furnish information to
7 determine the validity of the claim for credit made under this
8 section and may adopt rules necessary to effectuate the purposes
9 of this section pursuant to chapter 91.

10 (d) The tax credit allowed under this section shall be
11 available for taxable years beginning after December 31, 2006.

12 (e) To be eligible for the tax credit, the taxpayer shall
13 be in compliance with all applicable federal, state, and county
14 statutes, rules, and regulations.

15 (f) As used in this section:

16 "Qualified costs" means costs of:

- 17 (1) Planning, land acquisition, designing, equipping, and
18 constructing a green technology facility or converting
19 an existing facility into a green technology facility;
20 or
21 (2) Purchasing or leasing an existing green technology
22 facility.

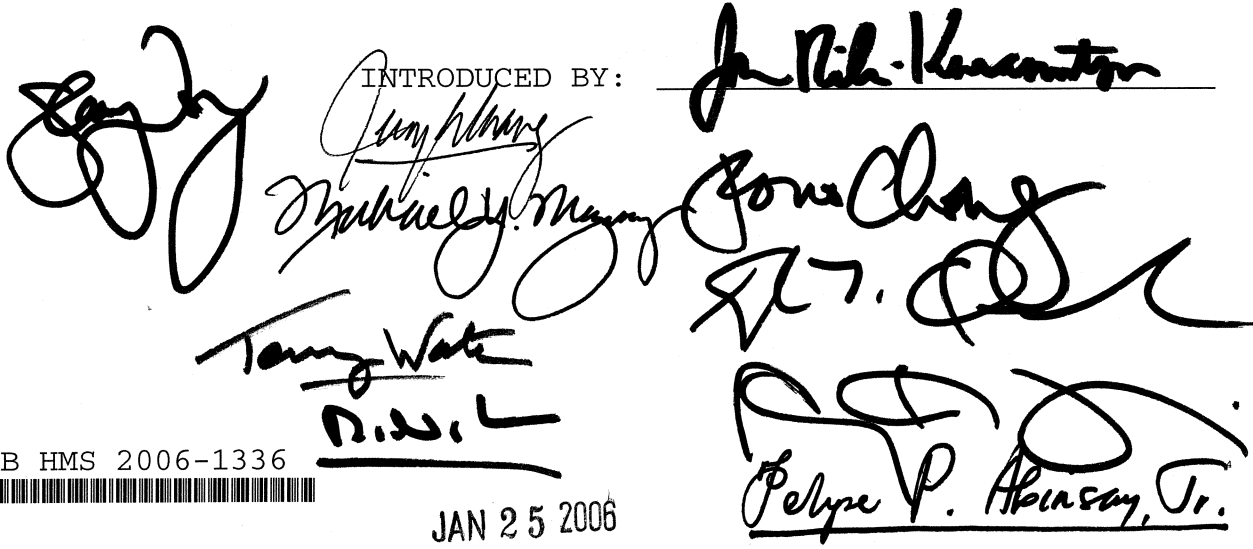


1 "Green technology facility" means a facility that:
 2 (1) Reduces solid waste streams;
 3 (2) Reduces emissions of carbon dioxide, carbon
 4 monoxide, nitrogen oxides, methane, mercury, or
 5 sodium hexafluoride gases; or
 6 (3) Produces or provides energy for energy
 7 consumption that does not involve the use of
 8 crude oil, refined oil, petroleum, gasoline,
 9 natural gas, or other fossil fuels;
 10 provided that the department shall develop specific standards
 11 and criteria to determine whether a facility qualifies as a
 12 "green technology facility".

13 "Net income tax liability" means income tax liability
 14 reduced by all other credits allowed under this chapter."

15 SECTION 2. New statutory material is underscored.
 16 SECTION 3. This Act shall take effect upon its approval.

INTRODUCED BY:


 A collection of handwritten signatures in black ink, including names like "J. N. H. Henshaw", "G. H. Chang", "T. W. H.", "D. W. H.", and "P. P. Abensay, Jr.".

HB 3066

Report Title:

Green Facility Tax Credit

Description:

Establishes a tax credit for the acquisition of environmentally-friendly green technology facilities.

