
A BILL FOR AN ACT

RELATING TO INCOME TAXATION.

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

1 SECTION 1. Section 235-12.5, Hawaii Revised Statutes, is
2 amended by amending subsection (a) to read as follows:

3 "(a) When the requirements of subsection (c) are met, each
4 individual or corporate taxpayer that files an individual or
5 corporate net income tax return for a taxable year may claim a
6 tax credit under this section against the Hawaii state
7 individual or corporate net income tax. The tax credit may be
8 claimed for every eligible renewable energy technology system
9 that is installed and placed in service in the State by a
10 taxpayer during the taxable year. This credit shall be
11 available for systems installed and placed in service in the
12 State after June 30, 2003. The tax credit may be claimed as
13 follows:

14 (1) Solar thermal energy systems for:

15 (A) Single-family residential property: thirty-five
16 per cent of the actual cost or \$2,250, whichever
17 is less;



1 (B) Multi-family residential property: thirty-five
2 per cent of the actual cost or \$350 per unit,
3 whichever is less; and

4 (C) Commercial property: thirty-five per cent of the
5 actual cost or \$250,000, whichever is less;

6 (2) Wind-powered energy systems for:

7 (A) Single-family residential property: twenty per
8 cent of the actual cost or \$1,500, whichever is
9 less;

10 (B) Multi-family residential property: twenty per
11 cent of the actual cost or \$200 per unit,
12 whichever is less; and

13 (C) Commercial property: [~~twenty~~] thirty-five per
14 cent of the actual cost or \$500,000, whichever is
15 less; and

16 (3) Photovoltaic energy systems for:

17 (A) Single-family residential property: thirty-five
18 per cent of the actual cost or \$5,000, whichever
19 is less;

20 (B) Multi-family residential property: thirty-five
21 per cent of the actual cost or \$350 per unit,
22 whichever is less; and



1 (C) Commercial property: thirty-five per cent of the
 2 actual cost or \$500,000, whichever is less;
 3 provided that multiple owners of a single system shall be
 4 entitled to a single tax credit; and provided further that the
 5 tax credit shall be apportioned between the owners in proportion
 6 to their contribution to the cost of the system.

7 In the case of a partnership, S corporation, estate, or
 8 trust, the tax credit allowable is for every eligible renewable
 9 energy technology system that is installed and placed in service
 10 in the State by the entity. The cost upon which the tax credit
 11 is computed shall be determined at the entity level.
 12 Distribution and share of credit shall be determined pursuant to
 13 section 235-110.7(a)."

14 SECTION 2. Statutory material to be repealed is bracketed
 15 and stricken. New statutory material is underscored.

16 SECTION 3. This Act shall take effect on July 1, 2008.
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INTRODUCED BY:

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JAN 14 2008



Report Title:

Renewable Energy Technologies Tax Credit; Wind-powered Energy

Description:

Increases the renewable energy technologies tax credit for wind-powered energy systems for commercial properties from 20% to 35% of the actual cost of the system up to \$500,000.

