

JAN 18 2008

S.B. NO. 2632

A BILL FOR AN ACT

RELATING TO RENEWABLE ENERGY TECHNOLOGIES.

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

1 SECTION 1. Section 235-12.5, Hawaii Revised Statutes, is
2 amended as follows:

3 1. By amending subsections (a) and (b) to read as follows:

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

15 (1) Solar thermal energy systems for:

16 (A) Single-family residential property: thirty-five
17 per cent of the actual cost or \$2,250, whichever
18 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 per cent of the
 - 14 actual cost or \$500,000, whichever is less; ~~and~~
- 15 (3) Photovoltaic energy systems for:
 - 16 (A) Single-family residential property: thirty-five
 - 17 per cent of the actual cost or \$5,000, whichever
 - 18 is less;
 - 19 (B) Multi-family residential property: thirty-five
 - 20 per cent of the actual cost or \$350 per unit,
 - 21 whichever is less; and



1 (C) Commercial property: thirty-five per cent of the
2 actual cost or \$500,000, whichever is less; and

3 (4) Concentrating solar power energy systems for:

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

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

10 (C) Commercial property: thirty-five per cent of the
11 actual cost or \$500,000, whichever is less;

12 provided that multiple owners of a single system shall be
13 entitled to a single tax credit; and provided further that the
14 tax credit shall be apportioned between the owners in proportion
15 to their contribution to the cost of the system.

16 In the case of a partnership, S corporation, estate, or
17 trust, the tax credit allowable is for every eligible renewable
18 energy technology system that is installed and placed in service
19 in the State by the entity. The cost upon which the tax credit
20 is computed shall be determined at the entity level.

21 Distribution and share of credit shall be determined pursuant to
22 section 235-110.7(a).



1 (b) For the purposes of this section:

2 "Actual cost" means costs related to the renewable energy
3 technology systems under subsection (a), including accessories
4 and installation, but not including the cost of consumer
5 incentive premiums unrelated to the operation of the system or
6 offered with the sale of the system and costs for which another
7 credit is claimed under this chapter.

8 "Concentrating solar power energy systems" means a
9 renewable technology system that is capable of also providing
10 solar air conditioning, agricultural drying, or desalination.

11 "Renewable energy technology system" means a new system
12 that captures and converts a renewable source of energy, such as
13 wind, heat (solar thermal), or light (photovoltaic) from the sun
14 into:

- 15 (1) A usable source of thermal or mechanical energy;
- 16 (2) Electricity; or
- 17 (3) Fuel.

18 "Solar or wind energy system" means any identifiable
19 facility, equipment, apparatus, or the like that converts
20 insolation or wind energy to useful thermal or electrical energy
21 for heating, cooling, or reducing the use of other types of



1 energy that are dependent upon fossil fuel for their
2 generation."

3 2. By amending subsection (d) to read as follows:

4 "(d) The director of taxation shall prepare any forms that
5 may be necessary to claim a tax credit under this section,
6 including forms identifying the technology type of each tax
7 credit claimed under this section, whether for solar thermal,
8 photovoltaic from the sun, or wind[-], or concentrating solar
9 power energy stystems. The director may also require the
10 taxpayer to furnish reasonable information to ascertain the
11 validity of the claim for credit made under this section and may
12 adopt rules necessary to effectuate the purposes of this section
13 pursuant to chapter 91."

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 upon its approval
17 and shall apply to taxable years beginning after December 31,
18 2007.

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Report Title:

Renewable Energy Technologies Tax Credit; Concentrating Solar Power Energy Systems

Description:

Adds concentrating solar power energy systems as a new category for claiming the renewable energy technologies tax credit.

