



Hawaii Solar Energy Association
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TESTIMONY OF THE HAWAII SOLAR ENERGY ASSOCIATION
IN REGARD TO S.B. 2686, S.D. 1
RELATING TO RENEABLE ENERGY TECHNOLOGIES
BEFORE THE
SENATE COMMITTEE ON ECONOMIC DEVELOPMENT & TAXATION
ON
TUESDAY, FEBRUARY 12, 2008

Chair Fukunaga, Vice-Chair Espero and members of the committee, my name is Richard Reed and I represent the Hawaii Solar Energy Assn. (HSEA). HSEA is a professional trade association established in 1977 and affiliated with the Solar Energy Industries Association (SEIA). HSEA represents manufacturers, distributors, contractors, financial entities and utility companies active in the solar energy industry. We strongly support the passage of S.B. 2686, S.D. 1.

S.B.2986, S.D. 1 amends HRS 235-12.5 to allow resident taxpayers that meet certain conditions to receive a **cash** refund rather than a credit against taxable income for installing solar water heating system, PV system, or wind generator.

This amendment will make solar more attractive and affordable for low and moderate income taxpayers, as well as many retired citizens that do not have a State of Hawaii income tax liability.

HSEA finds that the second condition is somewhat confusing. The proposed condition (lines 15 – 18) states:

The taxpayer's adjusted gross income is \$20,000 or less. For purposes of this Paragraph, a husband and wife filing a joint return shall each be treated as separate taxpayers.

We presume this means that the AGI threshold for this couple is \$40,000. If that is the plain reading of the proposed law it would be much clear to simply say that.

Thank you for the opportunity to testify.