
A BILL FOR AN ACT

RELATING TO NET ZERO ENERGY BUILDINGS.

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- Net zero energy building tax credit. (a) There
5 shall be allowed to each individual or corporate taxpayer who is
6 not claimed, or is not otherwise eligible to be claimed, as a
7 dependent by another taxpayer for federal or state income tax
8 purposes, a net zero energy building tax credit that shall be
9 deductible from the taxpayer's net income tax liability imposed
10 by this chapter for the taxable year in which the tax credit is
11 properly claimed.

12 For the purpose of this section:

13 "Builder" means a single- or multi-family dwelling owner or
14 commercial building owner of a new or existing building that is
15 built or renovated to provide net zero energy use.

16 "Net zero energy building" means a building that produces
17 enough energy, including electricity and gas, that is equal to



1 or greater than the energy consumed by the occupants in the
2 building.

3 (b) To qualify for the tax credit, the taxpayer builder
4 shall be:

5 (1) A builder or owner of a net zero energy building that
6 qualifies under this section for the taxable year in
7 which the tax credit is properly claimed; and

8 (2) In compliance with all applicable federal, state, and
9 county statutes, rules, and regulations.

10 (c) The tax credit for residential buildings shall be
11 equal to:

	<u>Area of building (square feet)</u>	<u>Tax credit per square foot</u>
12	<u>(1) 1,000 or less</u>	<u>\$9</u>
13	<u>(2) 1,001 to 2,500</u>	<u>\$8</u>
14	<u>(3) 2,501 to 3,999</u>	<u>\$7</u>
15	<u>(4) 4,000 or larger</u>	<u>\$6</u>

17 The tax credit shall not exceed \$5,000 per residential
18 building per builder or \$2,000 per unit in a multi-residential
19 building; provided that each unit is separately metered for
20 energy purposes.

21 (d) The tax credit for a commercial building shall be \$3
22 per square foot, not to exceed \$50,000.



1 (e) If the tax credit under this section exceeds the
2 taxpayer's net income tax liability, the amount of the excess
3 tax credit may be claimed in subsequent years until exhausted;
4 provided that no refund or payment on account of the tax credit
5 allowed by this section shall be made for amounts less than \$1.

6 (f) Every claim, including amended claims, for the tax
7 credit under this section shall be filed on or before the end of
8 the twelfth month following the close of the taxable year for
9 which the tax credit may be claimed. Failure to meet the filing
10 requirements of this subsection shall constitute a waiver of the
11 right to claim the tax credit.

12 (g) The director of taxation:

13 (1) Shall prepare forms as may be necessary to claim a tax
14 credit under this section;

15 (2) May require proof of the claim for the tax credit; and

16 (3) May adopt rules pursuant to chapter 91 to effectuate
17 the purposes of this section."

18 SECTION 2. The state energy resources coordinator shall
19 submit a review of the net zero energy tax credit to the
20 legislature twenty days prior to the convening of the Regular
21 Session of 2015 and recommend whether to change the magnitude
22 and specifications of the tax credit.



1 SECTION 3. There is appropriated out of the general
 2 revenues of the State of Hawaii the sum of \$ or so much
 3 thereof as may be necessary for fiscal year 2009-2010 and the
 4 same sum or so much thereof as may be necessary for fiscal year
 5 2010-2011 for the purposes of this Act.

6 The sums appropriated shall be expended by the department
 7 of business, economic development, and tourism for the purposes
 8 of this Act.

9 SECTION 4. New statutory material is underscored.

10 SECTION 5. This Act shall:

- 11 (1) Take effect upon its approval; provided that section 3
- 12 shall take effect on July 1, 2009;
- 13 (2) Apply to taxable years beginning after December 31,
- 14 2009, and ending before January 1, 2016; and
- 15 (3) Be repealed on January 1, 2016.

INTRODUCED BY:

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Report Title:

Tax Credit; Net Zero Energy Building

Description:

Provides a net zero energy building tax credit to builders of residential or commercial buildings that produce enough energy that is equal to or greater than the energy consumed by the occupants of the building.

