
A BILL FOR AN ACT

RELATING TO RENEWABLE ENERGY.

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

1 SECTION 1. The purpose of this Act is to exempt certain
2 types of renewable energy projects from the general excise tax
3 for a period of five years to encourage the construction and
4 utilization of these types of systems.

5 SECTION 2. Chapter 237, Hawaii Revised Statutes, is
6 amended by adding a new section to be appropriately designated
7 and to read as follows:

8 "§237- Exemption of sale, installation, servicing, or
9 lease of renewable energy systems. (a) Beginning January 1,
10 2011, and expiring December 31, 2015, there shall be exempted
11 from the general excise tax imposed by this chapter the gross
12 proceeds arising from the sale, installation, servicing, and
13 leasing of a renewable energy system installed between January
14 1, 2011, and December 31, 2015.

15 (b) The department of business, economic development, and
16 tourism shall certify whether the renewable energy system meets
17 the requirements of this section. The department of business,
18 economic development, and tourism shall adopt rules pursuant to



1 chapter 91 to assess whether a renewable energy system qualifies
2 for the tax exemption under this section, including but not
3 limited to the following issues:

4 (1) The minimum construction and operating standards of a
5 renewable energy system required to qualify for the
6 exemption under this section; and

7 (2) Inspection and certification requirements.

8 (c) As used in this section "renewable energy system"

9 means a system that:

10 (1) Has a rated capacity of two megawatts of electrical
11 power; or

12 (2) Utilizes five hundred thousand or more gallons per
13 year of liquid fuel produced from one or more sources
14 of renewable energy, as that term is defined in
15 section 269-91, to generate electrical power.

16 (d) The exemption shall not apply to gross proceeds
17 associated with the preparation of plans, designs, or permitting
18 associated with the renewable energy system."

19 SECTION 3. New statutory material is underscored.

20 SECTION 4. This Act shall take effect upon its approval.



Report Title:

Renewable Energy Systems; Exemption From General Excise Tax

Description:

Exempts renewable energy systems with a capacity of two megawatts or greater or utilizes 500,000 gallons or more per year of liquid fuels from one or more sources of renewable energy from the general excise tax on wholesale and retail transactions from January 1, 2011, to December 31, 2015.

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