

---

---

# A BILL FOR AN ACT

RELATING TO TAXATION.

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

1 SECTION 1. Section 235-110.3, Hawaii Revised Statutes, is  
2 amended by amending subsection (a) to read as follows:

3 "(a) [~~Each~~] Beginning on January 1, 2014, of each year  
4 during the credit period, there shall be allowed to each  
5 taxpayer subject to the taxes imposed by this chapter, an  
6 ethanol facility tax credit that shall be applied to the  
7 taxpayer's net income tax liability, if any, imposed by this  
8 chapter for the taxable year in which the credit is properly  
9 claimed.

10 For each qualified ethanol production facility, the annual  
11 dollar amount of the ethanol facility tax credit during the  
12 eight-year period shall be equal to [~~thirty per cent of its~~  
13 ~~nameplate capacity if the nameplate capacity is~~] \_\_\_\_\_ cents per  
14 gallon; provided that to claim the tax credit, the facility's  
15 actual annual production shall be greater than five hundred  
16 thousand but less than fifteen million gallons. A taxpayer may  
17 claim this credit for each qualifying ethanol facility; provided  
18 that:



- 1           (1) The claim for this credit by any taxpayer of a  
2           qualifying ethanol production facility shall not  
3           exceed one hundred per cent of the total of all  
4           investments made by the taxpayer in the qualifying  
5           ethanol production facility during the credit period;  
6       ~~[-(2) The qualifying ethanol production facility operated at~~  
7       ~~a level of production of at least seventy five per~~  
8       ~~cent of its nameplate capacity on an annualized basis;~~  
9       ~~-(3) The qualifying ethanol production facility is in~~  
10       ~~production on or before January 1, 2017;]~~ and  
11       ~~[-(4)]~~ (2) No taxpayer that claims the credit under this  
12       section shall claim any other tax credit under this  
13       chapter for the same taxable year."

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 Statutory material to be repealed is bracketed  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

16           SECTION 3. This Act, upon its approval, shall apply to  
17 taxable years beginning after December 31, 2050.



**Report Title:**

Ethanol Facility Tax Credit

**Description:**

Prohibits the ethanol facility tax credit from being claimed prior to January 1, 2014. Amends the conditions for eligibility to claim the tax credit. Applies to taxable years beginning after 12/31/2050. (SD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

