

Honolulu, Hawaii

March 2 , 2012

RE: H.B. No. 2417  
H.D. 2

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Sixth State Legislature  
Regular Session of 2012  
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 2417, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO RENEWABLE ENERGY,"

begs leave to report as follows:

The purpose of this measure is to amend the renewable energy technologies income tax credit by increasing the maximum available amount of the tax credit and applying the credit on a per-property basis, as designated by tax map key number.

The Department of Taxation submitted comments on this measure. The Hawaii Renewable Energy Alliance, Sierra Club of Hawai'i, Solar Energy Industries Association, Blue Planet Foundation, Forest City Hawaii, Hawaii PV Coalition, SunPower Systems Corporation, Kairos Energy Capital LLC, Inter-Island Solar Supply, and many concerned individuals submitted testimony in opposition to this measure.

Your Committee has amended this measure by:

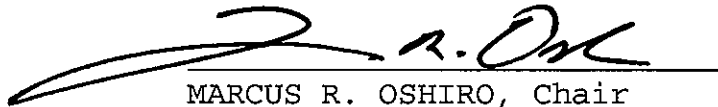
- (1) Making conforming amendments to additional portions of section 235-12.5, Hawaii Revised Statutes, to account for the application of the renewable energy technologies income tax credit on a per-property, as opposed to a per-system, basis;



- (2) Increasing the maximum amount of the income tax credit available for various types of properties;
- (3) Specifying a tax credit amount of \$1,000 per kilowatt for kilowatts of more than 300 through 5,000 kilowatts produced by a solar energy system installed and placed in service on a nonresidential property;
- (4) Reverting back to the current tax credit amount for wind-powered energy systems placed on a nonresidential property; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2417, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2417, H.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Finance,

  
MARCUS R. OSHIRO, Chair



