
A BILL FOR AN ACT

RELATING TO TAXATION.

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- Residential backup generator tax credit. (a)

5 There shall be allowed to each individual taxpayer subject to
6 the taxes imposed by this chapter, a residential backup
7 generator tax credit that shall be deductible from the
8 taxpayer's net income tax liability, if any, imposed by this
9 chapter for the taxable year in which the credit is properly
10 claimed.

11 The amount of the credit shall be equal to twenty-five per
12 cent of the actual cost of a new residential backup generator;
13 provided that:

14 (1) The credit may be claimed only once per taxpayer; and

15 (2) The credit shall not include:

16 (A) The costs of installation or prefatory work
17 required for installation of the generator; or



1 (B) Any costs for which another credit is claimed
2 under this chapter.

3 The maximum allowable tax credit for a taxpayer shall be
4 \$ _____.

5 (b) Pursuant to subsection (a), each individual taxpayer's
6 income tax liability shall be reduced by all other credits
7 allowed under this chapter.

8 (c) The director of taxation shall prepare any forms that
9 may be necessary to claim a tax credit under this section. The
10 director may also require the taxpayer to furnish reasonable
11 information to ascertain the validity of the claim for credit
12 made under this section and may adopt rules necessary to
13 effectuate the purposes of this section pursuant to chapter 91.

14 (d) If the tax credit under this section exceeds the
15 taxpayer's income tax liability, the excess of the credit over
16 liability may be used as a credit against the taxpayer's income
17 tax liability in subsequent years until exhausted. All claims
18 for the tax credit under this section, including amended claims,
19 shall be filed on or before the end of the twelfth month
20 following the close of the taxable year for which the credit may



1 be claimed. Failure to comply with this subsection shall
2 constitute a waiver of the right to claim the credit.

3 (e) As used in this section:

4 "Residential backup generator" means an electrical
5 generator purchased by a taxpayer and operated for the purpose
6 of providing power to the residence of the taxpayer when the
7 utility from whom the taxpayer would otherwise purchase power is
8 unable to provide it."

9 SECTION 2. New statutory material is underscored.

10 SECTION 3. This Act, upon its approval, shall apply to
11 taxable years beginning after December 31, 2015.



Report Title:

Residential Backup Generator Tax Credit

Description:

Establishes a nonrefundable income tax credit for taxpayers who purchase residential backup generators. (HB657 HD1)

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

