
A BILL FOR AN ACT

RELATING TO TAXATION.

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

1 SECTION 1. Section 235-12.5, Hawaii Revised Statutes, is
2 amended by amending subsection (b) to read as follows:

3 "(b) The amount of credit allowed for each eligible
4 renewable energy technology system shall not exceed the
5 applicable cap amount, which is determined as follows:

6 (1) If the primary purpose of the solar energy system is
7 to use energy from the sun to heat water for household
8 use, then the cap amounts shall be:

9 (A) [~~\$2,250~~] \$1,125 per system for single-family
10 residential property;

11 (B) [~~\$350~~] \$175 per unit per system for multi-family
12 residential property; and

13 (C) [~~\$250,000~~] \$125,000 per system for commercial
14 property;

15 (2) For all other solar energy systems, the cap amounts
16 shall be:



1 (A) [~~\$5,000~~] \$2,500 per system for single-family
2 residential property; provided that if all or a
3 portion of the system is used to fulfill the
4 substitute renewable energy technology
5 requirement pursuant to section 196-6.5(a)(3),
6 the credit shall be reduced by thirty-five per
7 cent of the actual system cost or [~~\$2,250,~~]
8 \$1,125, whichever is less;

9 (B) [~~\$350~~] \$175 per unit per system for multi-family
10 residential property; and

11 (C) [~~\$500,000~~] \$250,000 per system for commercial
12 property; and

13 (3) For all wind-powered energy systems, the cap amounts
14 shall be:

15 (A) [~~\$1,500~~] \$750 per system for single-family
16 residential property; provided that if all or a
17 portion of the system is used to fulfill the
18 substitute renewable energy technology
19 requirement pursuant to section 196-6.5(a)(3),
20 the credit shall be reduced by twenty per cent of



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1 the actual system cost or [~~\$1,500,~~] \$750,

2 whichever is less;

3 (B) [~~\$200~~] \$100 per unit per system for multi-family
4 residential property; and

5 (C) [~~\$500,000~~] \$250,000 per system for commercial
6 property."

7 SECTION 2. Statutory material to be repealed is bracketed
8 and stricken. New statutory material is underscored.

9 SECTION 3. This Act, upon its approval, shall apply to
10 taxable years beginning after December 31, 2020.

11
INTRODUCED BY:



JAN 26 2021



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Report Title:

Renewable Energy Technologies; Income Tax Credit

Description:

Reduces the cap amounts of the renewable energy technologies income tax credit.

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