
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; provided that the cap amount shall be
13 \$500,000 per system for commercial property used
14 for an eligible community-based renewable energy
15 project pursuant to section 269-27.4; and

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

18 (A) [~~\$1,500~~] \$750 per system for single-family
19 residential property; provided that if all or a
20 portion of the system is used to fulfill the
21 substitute renewable energy technology



1 requirement pursuant to section 196-6.5(a)(3),
2 the credit shall be reduced by twenty per cent of
3 the actual system cost or [~~\$1,500,~~] \$750,
4 whichever is less;

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

7 (C) [~~\$500,000~~] \$250,000 per system for commercial
8 property~~[-]~~; provided that the cap amount shall
9 be \$500,000 per system for commercial property
10 used for an eligible community-based renewable
11 energy project pursuant to section 269-27.4."

12 SECTION 2. Statutory material to be repealed is bracketed
13 and stricken. New statutory material is underscored.

14 SECTION 3. This Act shall take effect on July 1, 2050 and
15 shall apply to taxable years beginning after December 31, 2021.



Report Title:

Renewable Energy Technologies; Income Tax Credit

Description:

Reduces the cap amounts of the renewable energy technologies income tax credit. Applies to taxable years beginning after 12/31/2021. Effective 7/1/2050. (SD2)

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