

JAN 27 2021

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# 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:



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

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

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

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

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



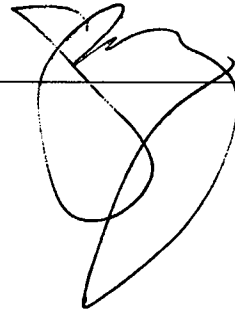
1           the actual system cost or [~~\$1,500,~~] \$750,  
2           whichever is less;  
3           (B) [~~\$200~~] \$100 per unit per system for multi-family  
4           residential property; and  
5           (C) [~~\$500,000~~] \$250,000 per system for commercial  
6           property."

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 Statutory material to be repealed is bracketed  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.

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INTRODUCED BY: \_\_\_\_\_

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# S.B. NO. *1237*

**Report Title:**

Renewable Energy Technologies; Income Tax Credit

**Description:**

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

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

