

Honolulu, Hawaii

APR 08, 2022

RE: S.B. No. 2511  
S.D. 2  
H.D. 2

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirty-First State Legislature  
Regular Session of 2022  
State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 2511, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Expand the renewable energy technologies income tax credit to include firm renewable energy systems, with the credit capped at the lesser of a percentage of the actual cost or \$750,000 per system; and
- (2) Make the renewable energy technologies income tax credit unavailable for renewable energy technology systems installed and placed in service after December 31, 2045.

Your Committee received testimony in support of this measure from Sustainable Energy Hawaii, Hawai'i Farm Bureau, Par Hawaii, and four individuals. Your Committee received testimony in opposition to this measure from the Department of Taxation, Recycle Hawaii and Clean the Pacific, Hawaii Forest Stewards, 350Hawaii.org, and thirteen individuals. Your Committee received comments on this measure from the Department of Budget and Finance, Hawaii State Energy Office, Hawaiian Electric Company,



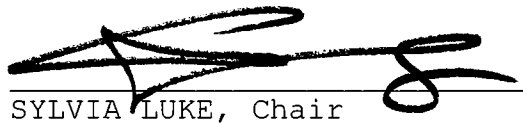
Tax Foundation of Hawaii, Climate Protectors Hawai'i, Hawaii Clean Power Alliance, and numerous individuals.

Your Committee has amended this measure by:

- (1) Changing the cap on the total amount of tax credits that may be claimed for each firm renewable energy system to an unspecified amount; and
- (2) Making a technical, nonsubstantive amendment 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 S.B. No. 2511, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2511, S.D. 2, H.D. 2.

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

  
SYLVIA LUKE, Chair



