

ENGROSSED HOUSE
BILL NO. 1311

BY: CROCKER, HAMILTON
(Jeff), COTNER, YORK,
PAULK, MADDUX (Elmer)
and THOMPSON the HOUSE

and

HOBSON of the SENATE

(REVENUE AND TAXATION - INCOME TAX CREDITS
FOR CERTAIN WIND OR PHOTOVOLTAIC ENERGY
SYSTEMS - CODIFICATION -

EFFECTIVE DATE)

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. NEW LAW A new section of law to be codified
in the Oklahoma Statutes as Section 2357.32 of Title 68, unless
there is created a duplication in numbering, reads as follows:

A. 1. For all taxable years beginning after December 31, 1992,
any taxpayer, having a wind or photovoltaic energy system installed
on residential property in this state, may claim a credit against
the tax imposed by Section 2355 of this title. In determining the
amount of credit allowed, the taxpayer may include in the total
costs of the wind or photovoltaic energy system such direct expenses
incurred for equipment, construction and installation of the system,
less all rebates and remunerations of any type resulting from the
installation. For the purposes of the allowable tax credit provided
for in this subsection, the total cost allowed to be claimed shall
not exceed Twenty Thousand Dollars (\$20,000.00).

2. The following percentage of the qualified renewable energy
system expenditures shall be allowed as a credit under the

provisions of this subsection for the taxable year in which the cost is incurred:

Taxable Year	Percentage of Expenditure
a. 1993	40%
b. 1994	40%
c. 1995	30%
d. 1996	20%
e. 1997	10%

3. If the tax credit allowable to a taxpayer for the cost of a renewable energy system exceeds the taxes due on the income of the taxpayer, the amount of the claim not used as an offset against the income taxes of a taxable year may be carried forward as a credit against subsequent income tax liability for a period not to exceed five (5) years.

B. 1. For all taxable years beginning after December 31, 1992, any taxpayer, having a wind or photovoltaic energy system installed on nonresidential property in this state, may claim a credit against the tax imposed by Section 2355 of this title. In determining the amount of credit allowed, the taxpayer may include in the total costs of the wind or photovoltaic energy system such direct expenses incurred for equipment, construction and installation of the system, less all rebates and remunerations of any type resulting from the installation.

2. The following percentage of the qualified renewable energy system expenditures shall be allowed as a credit under the provisions of this subsection for the taxable year in which the cost is incurred:

Taxable Year	Percentage of Expenditure
a. 1993	30%
b. 1994	30%
c. 1995	30%
d. 1996	20%

3. If the tax credit allowable to a taxpayer for the cost of a renewable energy system exceeds the taxes due on the income of the taxpayer, the amount of the claim not used as an offset against the income taxes of a taxable year may be carried forward as a credit against subsequent income tax liability for a period not to exceed five (5) years.

4. For purposes of qualifying for the tax credit provided for in this subsection, more than fifty percent (50%) of the energy produced by the wind or photovoltaic energy system must be utilized on the premises of the installation.

C. An itemized accounting of the cost and an affidavit attesting to the facts thereof shall be furnished to the taxpayer by the supplier of the renewable energy system. The itemized accounting shall include the amounts properly attributable to the cost of construction, reconstruction, remodeling, installation and acquisition of the renewable energy system. The taxpayer shall include a copy of said accounting when claiming either credit provided for in this section.

D. Wind turbines or photovoltaic modules shall be certified by the Solar Rating and Certification Corporation (SRCC), the American Wind Energy Association (AWEA), or other nationally recognized certification agency in order to qualify for the credits provided for in this section. Product performance specifications conforming the SRCC, Jet Propulsion Laboratory (JPL), or AWEA standards, as appropriate, for renewable energy generating equipment shall be provided to potential purchasers prior to any qualifying purchase. Solar and/or wind energy resource information, as most recently published by the U.S. Department of Energy, for the state shall also be provided to potential purchasers prior to any qualifying purchase pursuant to the provisions of this section.

E. For purposes of either credit provided for in this section, qualifying renewable energy generating equipment shall carry, as a minimum, a three-year warranty against defects in design, manufacture or installation.

F. For purposes of either credit provided for in this section, qualifying renewable energy technologies shall include solar energy and wind energy.

SECTION 2. This act shall become effective January 1, 1993.

Passed the House of Representatives the 11th day of March, 1992.

Speaker of the House of
Representatives

Passed the Senate the ____ day of _____, 1992.

President of the Senate