

1 STATE OF OKLAHOMA

2 1st Session of the 53rd Legislature (2011)

3 HOUSE BILL 1725

By: Fourkiller

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5
6 AS INTRODUCED

7 An Act relating to revenue and taxation; amending 68
8 O.S. 2001, Section 2357.32, which relates to income
9 tax credits; modifying expiration dates and time
10 periods during which certain amount of expenditures
11 may be claimed for credit; authorizing designee of
12 certain entities to make certification; modifying
13 time period for certain warranty requirement; and
14 providing an effective date.

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

16 SECTION 1. AMENDATORY 68 O.S. 2001, Section 2357.32, is
17 amended to read as follows:

18 Section 2357.32 A. 1. For all taxable years beginning after
19 December 31, ~~1992~~ 2011, any taxpayer~~7~~ having a wind or photovoltaic
20 energy system installed on residential property in this state~~7~~ may
21 claim a credit against the tax imposed by Section 2355 of this
22 title. In determining the amount of credit allowed, the taxpayer
23 may include in the total costs of the wind or photovoltaic energy
24 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

1 allowable tax credit provided for in this subsection, the total cost
2 allowed to be claimed shall not exceed Twenty-five Thousand Dollars
3 (\$25,000.00).

4 2. ~~The following percentage~~ Forty percent (40%) of the
5 qualified renewable energy system expenditures shall be allowed as a
6 credit under the provisions of this subsection for the taxable year
7 in which the cost is incurred.

8	Taxable Year	Percentage of Expenditure
9	a. 1993	40%
10	b. 1994	40%
11	c. 1995	30%.

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

18 B. 1. For all taxable years beginning after December 31, ~~1992~~
19 2011, any taxpayer, having a wind or photovoltaic energy system
20 installed on nonresidential property in this state, may claim a
21 credit against the tax imposed by Section 2355 of this title. In
22 determining the amount of credit allowed, the taxpayer may include
23 in the total costs of the wind or photovoltaic energy system such
24 direct expenses incurred for equipment, construction and

1 installation of the system, less all rebates and remunerations of
2 any type resulting from the installation. For the purposes of the
3 allowable tax credit provided for in this subsection, the total cost
4 allowed to be claimed shall not exceed One Hundred Fifty Thousand
5 Dollars (\$150,000.00).

6 2. ~~The following percentage~~ Thirty percent (30%) of the
7 qualified renewable energy system expenditures shall be allowed as a
8 credit under the provisions of this subsection for the taxable year
9 in which the cost is incurred.

10	Taxable Year	Percentage of Expenditure
11	a. 1993	30%
12	b. 1994	30%
13	c. 1995	<u>20%.</u>

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

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

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

9 D. Wind turbines or photovoltaic modules shall be certified by
10 the Solar Rating and Certification Corporation (SRCC) or its
11 designee, the American Wind Energy Association (AWEA) or its
12 designee, the Oklahoma Solar Energy Industries Association (OK-SEIA)
13 or its designee, or other nationally recognized certification agency
14 in order to qualify for the credits provided for in this section.
15 Product performance specifications conforming to the Solar Energy
16 Industries Association (SEIA), SRCC, Jet Propulsion Laboratory
17 (JPL), or AWEA standards, as appropriate, for renewable_energ_y_
18 generating equipment shall be provided to potential purchasers prior
19 to any qualifying purchase. Solar and/or wind energy resource
20 information, as most recently published by the U.S. Department of
21 Energy, for the state shall also be provided to potential purchasers
22 prior to any qualifying purchase pursuant to the provisions of this
23 section.

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1 E. For purposes of either credit provided for in this section,
2 qualifying renewable_energy_generating equipment shall carry, as a
3 minimum, a three-year warranty against defects in design,
4 manufacture or installation.

5 F. For purposes of either credit provided for in this section,
6 qualifying renewable energy technologies shall utilize ~~solar~~
7 photovoltaic energy and/or wind energy.

8 G. Renewable energy resource assessment equipment, such as wind
9 data loggers, qualifies for either credit provided for in this
10 section, if ~~said~~ the equipment is utilized solely for the purpose of
11 determining the feasibility of installing renewable energy systems.

12 SECTION 2. This act shall become effective January 1, 2012.

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