

House File 645

S-3215

1 Amend House File 645, as passed by the House, as
2 follows:

3 1. By striking everything after the enacting clause
4 and inserting:

5 <Section 1. NEW SECTION. 422.11K Wind energy
6 system tax credits.

7 1. The taxes imposed under this division, less the
8 credits allowed under section 422.12, shall be reduced
9 by a wind energy system tax credit equal to the sum of
10 the following:

11 a. Fifty percent of the federal residential energy
12 efficient property credit related to small wind energy
13 provided in section 25D(a)(4) of the Internal Revenue
14 Code, not to exceed five thousand dollars.

15 b. Fifty percent of the federal energy credit
16 related to small wind energy provided in section
17 48(a)(2)(A)(i)(IV) of the Internal Revenue Code, not to
18 exceed five thousand dollars.

19 2. Any credit in excess of the tax liability is
20 not refundable but the excess for the tax year may be
21 credited to the tax liability for the following ten
22 years or until depleted, whichever is earlier. The
23 director of revenue shall adopt rules to implement this
24 section.

25 3. a. An individual may claim the tax credit
26 allowed a partnership, limited liability company, S
27 corporation, estate, or trust electing to have the
28 income taxed directly to the individual. The amount
29 claimed by the individual shall be based upon the
30 pro rata share of the individual's earnings of the
31 partnership, limited liability company, S corporation,
32 estate, or trust.

33 b. A taxpayer who is eligible to claim a tax credit
34 under this section shall not be eligible to claim a
35 wind energy production tax credit under chapter 476B or
36 a renewable energy tax credit under chapter 476C.

37 c. A taxpayer may claim more than one credit
38 under this section, but may claim only one credit
39 per separate and distinct small wind energy system
40 installation. The department shall establish criteria,
41 by rule, for determining what constitutes a separate
42 and distinct installation.

43 d. A taxpayer must submit an application to the
44 department for each separate and distinct small wind
45 energy installation. The application must be approved
46 by the department in order to claim the tax credit.
47 The application must be filed by May 1 following the
48 year of the installation of the small wind energy
49 system.

50 4. a. The cumulative value of tax credits claimed

1 annually by applicants pursuant to this section shall
2 not exceed one hundred fifty thousand dollars.

3 *b.* If an amount of tax credits available for a
4 tax year pursuant to paragraph "a" goes unclaimed,
5 the amount of the unclaimed tax credits shall be made
6 available for the following tax year in addition to,
7 and cumulated with, the amount available pursuant to
8 paragraph "a" for the following tax year.

9 5. On or before January 1, annually, the department
10 shall submit a written report to the governor and
11 the general assembly regarding the number and value
12 of tax credits claimed under this section, and any
13 other information the department may deem relevant and
14 appropriate.

15 Sec. 2. Section 422.11L, subsection 1, Code 2015,
16 is amended by adding the following new paragraph:

17 NEW PARAGRAPH. *c.* Notwithstanding paragraphs "a"
18 and "b" of this subsection, for installations occurring
19 on or after January 1, 2016, the applicable percentages
20 of the federal residential energy efficiency property
21 tax credit related to solar energy and the federal
22 energy credit related to solar energy systems shall be
23 fifty percent.

24 Sec. 3. Section 422.11L, subsection 4, paragraph a,
25 Code 2015, is amended to read as follows:

26 *a.* The cumulative value of tax credits claimed
27 annually by applicants pursuant to this section shall
28 not exceed ~~four~~ five million five hundred thousand
29 dollars. Of this amount, at least one million
30 dollars shall be reserved for claims associated with
31 or resulting from residential solar energy system
32 installations. In the event that the total amount of
33 claims submitted for residential solar energy system
34 installations in a tax year is an amount less than
35 one million dollars, the remaining unclaimed reserved
36 amount shall be made available for claims associated
37 with or resulting from nonresidential solar energy
38 system installations received for the tax year.

39 Sec. 4. Section 422.33, subsection 29, paragraph a,
40 Code 2015, is amended to read as follows:

41 *a.* The taxes imposed under this division shall
42 be reduced by a solar energy system tax credit
43 equal to sixty percent of the federal energy credit
44 related to solar energy systems provided in section
45 48(a)(2)(A)(i)(II) and section 48(a)(2)(A)(i)(III)
46 of the Internal Revenue Code, not to exceed twenty
47 thousand dollars. For installations occurring on or
48 after January 1, 2016, the applicable percentage of the
49 federal energy credit related to solar energy systems
50 shall be fifty percent.

1 Sec. 5. Section 422.33, Code 2015, is amended by
2 adding the following new subsection:

3 NEW SUBSECTION. 31. *a.* The taxes imposed under
4 this division shall be reduced by a wind energy system
5 tax credit equal to fifty percent of the federal energy
6 credit related to small wind energy systems provided
7 in section 48(a)(2)(A)(i)(IV) of the Internal Revenue
8 Code, not to exceed five thousand dollars.

9 *b.* The taxpayer may claim the credit pursuant to
10 this subsection according to the same requirements,
11 conditions, and limitations as provided in section
12 422.11K.

13 Sec. 6. Section 422.60, subsection 12, paragraph a,
14 Code 2015, is amended to read as follows:

15 *a.* The taxes imposed under this division shall
16 be reduced by a solar energy system tax credit
17 equal to sixty percent of the federal energy credit
18 related to solar energy systems provided in section
19 48(a)(2)(A)(i)(II) and section 48(a)(2)(A)(i)(III)
20 of the Internal Revenue Code, not to exceed twenty
21 thousand dollars. For installations occurring on or
22 after January 1, 2016, the applicable percentage of the
23 federal energy credit related to solar energy systems
24 shall be fifty percent.

25 Sec. 7. Section 422.60, Code 2015, is amended by
26 adding the following new subsection:

27 NEW SUBSECTION. 14. *a.* The taxes imposed under
28 this division shall be reduced by a wind energy system
29 tax credit equal to fifty percent of the federal energy
30 credit related to small wind energy systems provided
31 in section 48(a)(2)(A)(i)(IV) of the Internal Revenue
32 Code, not to exceed five thousand dollars.

33 *b.* The taxpayer may claim the credit pursuant to
34 this subsection according to the same requirements,
35 conditions, and limitations as provided in section
36 422.11K.

37 Sec. 8. Section 476C.1, subsection 6, paragraph
38 b, subparagraph (5), Code 2015, is amended to read as
39 follows:

40 (5) An electric cooperative association that has
41 one or more members organized pursuant to chapter 499
42 or a municipally owned city utility as defined in
43 section 362.2.

44 Sec. 9. Section 476C.3, subsection 4, paragraph b,
45 Code 2015, is amended to read as follows:

46 *b.* The maximum annual amount of energy production
47 capacity equivalent of all other facilities the board
48 may find eligible under this chapter shall not exceed
49 a combined output of ~~fifty-three~~ sixty-three megawatts
50 of nameplate generating capacity and one hundred

1 sixty-seven billion British thermal units of heat for a
2 commercial purpose.

3 (1) Of the maximum annual amount of energy
4 production capacity equivalent of all other facilities
5 found eligible under this chapter, no more than ten
6 megawatts of nameplate generating capacity or energy
7 production capacity equivalent shall be allocated
8 annually to any one facility.

9 (2) Of the maximum annual amount of energy
10 production capacity equivalent of all other facilities
11 found eligible under this chapter, fifty-five billion
12 British thermal units of heat for a commercial purpose
13 shall be reserved annually for an eligible facility
14 that is a refuse conversion facility for processed,
15 engineered fuel from a multicounty solid waste
16 management planning area. The maximum amount of annual
17 energy production capacity the board may find eligible
18 for a single refuse conversion facility is fifty-five
19 billion British thermal units of heat for a commercial
20 purpose.

21 (3) Of the maximum annual amount of energy
22 production capacity equivalent of all other facilities
23 found eligible under this chapter, ten megawatts of
24 nameplate generating capacity or energy production
25 equivalent shall be reserved annually for solar
26 facilities owned or contracted for by utilities
27 described in section 476C.1, subsection 6, paragraph
28 "b", subparagraph (5).

29 Sec. 10. Section 476C.5, Code 2015, is amended to
30 read as follows:

31 **476C.5 Certificate issuance period.**

32 A producer or purchaser of renewable energy may
33 shall receive renewable energy tax credit certificates
34 for a ten-year period for each eligible renewable
35 energy facility under this chapter. The ten-year
36 period for issuance of the tax credit certificates
37 begins with the date the purchaser of renewable energy
38 first purchases electricity, hydrogen fuel, methane gas
39 or other biogas used to generate electricity, or heat
40 for commercial purposes from the eligible renewable
41 energy facility for which a tax credit is issued under
42 this chapter, or the date the producer of the renewable
43 energy first uses the energy produced by the eligible
44 renewable energy facility for on-site consumption.
45 Renewable energy tax credit certificates shall not be
46 issued for renewable energy purchased or produced for
47 on-site consumption after December 31, 2026.

48 Sec. 11. EFFECTIVE UPON ENACTMENT. This Act, being
49 deemed of immediate importance, takes effect upon
50 enactment.

1 Sec. 12. RETROACTIVE APPLICABILITY.

2 1. Except as provided in subsection 2, the sections
3 of this Act amending section 476C.3, subsection 4,
4 paragraph "b", and section 476C.5, apply retroactively
5 to January 1, 2014, for tax years beginning on or after
6 that date.

7 2. The section of this Act amending section
8 476C.1, subsection 6, and section 476C.3, subsection
9 4, paragraph "b", unnumbered paragraph 1, and
10 enacting section 476C.3, subsection 4, paragraph "b",
11 subparagraph (3), applies retroactively to January 1,
12 2015, for tax years beginning on or after that date.

13 3. The section of this Act amending section
14 422.11L, subsection 4, paragraph "a", applies
15 retroactively to January 1, 2015, for tax years
16 beginning on or after that date.

17 4. The sections of this Act enacting section
18 422.11K, section 422.33, subsection 31, and section
19 422.60, subsection 14, apply retroactively to January
20 1, 2015, for tax years beginning on or after that
21 date.>

22 2. Title page, by striking lines 1 through 3 and
23 inserting <An Act modifying and enacting provisions
24 relating to specified renewable energy tax credits, and
25 including effective date and retroactive applicability
26 provisions.>

COMMITTEE ON WAYS AND MEANS
JOE BOLKCOM, CHAIRPERSON