

Senate File 619

S-3213

1 Amend the amendment, S-3209, to Senate File 619, as follows:

2 1. Page 64, after line 11 by inserting:

3 <DIVISION \_\_\_\_

4 SOLAR ENERGY SYSTEM STATE TAX CREDIT

5 Sec. \_\_\_\_ . Section 422.11L, Code 2021, is amended by striking  
6 the section and inserting in lieu thereof the following:

7 **422.11L Solar energy system tax credits.**

8 1. As used in this section:

9 *a. "Commercial solar energy system"* means a solar energy  
10 system on property that is not residential or multiresidential.

11 *b. "Residential solar energy system"* means a solar energy  
12 system on residential property or multiresidential property.

13 *c. "Solar energy system"* means a system of equipment capable  
14 of collecting and converting incident solar radiation into  
15 thermal, mechanical, or electrical energy and transporting the  
16 energy by a separate apparatus to storage or to a point of use.

17 2. Beginning with installations completed on or after  
18 January 1, 2021, the taxes imposed under this subchapter, less  
19 the credits allowed under section 422.12, shall be reduced by  
20 a solar energy system tax credit equal to fifteen percent of  
21 the gross cost of the solar energy system, not to exceed the  
22 following amounts:

23 *a.* For a residential solar energy system, five thousand  
24 dollars.

25 *b.* For a commercial solar energy system, twenty thousand  
26 dollars.

27 3. Any credit in excess of the tax liability is not  
28 refundable but the excess for the tax year may be credited  
29 to the tax liability for the following ten years or until  
30 depleted, whichever is earlier.

31 4. *a.* An individual may claim the tax credit allowed a  
32 partnership, limited liability company, S corporation, estate,  
33 or trust electing to have the income taxed directly to the  
34 individual. The amount claimed by the individual shall be  
35 based upon the pro rata share of the individual's earnings of

1 the partnership, limited liability company, S corporation,  
2 estate, or trust.

3 *b.* A taxpayer who is eligible to claim a credit under this  
4 section shall not be eligible to claim a renewable energy tax  
5 credit under chapter 476C.

6 *c.* A taxpayer may claim more than one credit under this  
7 section, but may claim only one credit per separate and  
8 distinct solar energy system installation. The department  
9 shall establish criteria, by rule, for determining what  
10 constitutes a separate and distinct installation.

11 *d.* (1) A taxpayer must submit an application to the  
12 department for each separate and distinct solar energy  
13 system installation. The application must be approved by the  
14 department in order to claim the tax credit. The application  
15 must be filed by May 1 following the year of the installation  
16 of the solar energy system.

17 (2) The department shall accept and approve applications  
18 on a first-come, first-served basis until the maximum amount  
19 of tax credits that may be claimed pursuant to subsection 5  
20 is reached. If for a tax year the aggregate amount of tax  
21 credits applied for exceeds the amount specified in subsection  
22 5, the department shall establish a wait list for tax credits.  
23 Valid applications filed by the taxpayer by May 1 following the  
24 year of the installation but not approved by the department  
25 shall be placed on a wait list in the order the applications  
26 were received and those applicants shall be given priority  
27 for having their applications approved in succeeding years.  
28 Placement on a wait list pursuant to this subparagraph shall  
29 not constitute a promise binding the state. The availability  
30 of a tax credit and approval of a tax credit application  
31 pursuant to this section in a future year is contingent upon  
32 the availability of tax credits in that particular year.

33 5. *a.* The cumulative value of tax credits claimed annually  
34 by applicants pursuant to this section shall not exceed ten  
35 million dollars.

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

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

11     7. The director shall adopt rules pursuant to chapter 17A to  
12 administer this section.

13     Sec. \_\_\_\_\_. Section 422.33, subsection 29, paragraph a, Code  
14 2021, is amended to read as follows:

15     *a.* The Beginning with installations completed on or after  
16 January 1, 2021, the taxes imposed under this subchapter shall  
17 be reduced by a solar energy system tax credit ~~equal to sixty~~  
18 ~~percent of the federal energy credit related to solar energy~~  
19 ~~systems provided in section 48(a)(2)(A)(i)(II) and section~~  
20 ~~48(a)(2)(A)(i)(III) of the Internal Revenue Code, not to exceed~~  
21 ~~twenty thousand dollars. For installations occurring on or~~  
22 ~~after January 1, 2016, the applicable percentage of the federal~~  
23 ~~energy credit related to solar energy systems shall be fifty~~  
24 ~~percent~~ allowed under section 422.11L.

25     Sec. \_\_\_\_\_. Section 422.60, subsection 12, paragraph a, Code  
26 2021, is amended to read as follows:

27     *a.* The Beginning with the installations completed on or  
28 after January 1, 2021, the taxes imposed under this subchapter  
29 shall be reduced by a solar energy system tax credit ~~equal to~~  
30 ~~sixty percent of the federal energy credit related to solar~~  
31 ~~energy systems provided in section 48(a)(2)(A)(i)(II) and~~  
32 ~~section 48(a)(2)(A)(i)(III) of the Internal Revenue Code, not~~  
33 ~~to exceed twenty thousand dollars. For installations occurring~~  
34 ~~on or after January 1, 2016, the applicable percentage of the~~  
35 ~~federal energy credit related to solar energy systems shall be~~

1 ~~fifty percent~~ allowed under section 422.11L.

2 Sec. \_\_\_\_\_. Section 533.329, subsection 2, paragraph k, Code  
3 2021, is amended to read as follows:

4 k. The Beginning with the installations completed on or  
5 after January 1, 2021, the moneys and credits tax imposed under  
6 this section shall be reduced by a solar energy system tax  
7 credit allowed under section 422.11L.

8 Sec. \_\_\_\_\_. WAIT LIST FOR CLAIMS PRIOR TO JANUARY 1,  
9 2021. The wait list pursuant to section 422.11L, subsection 3,  
10 paragraph "d", subparagraph (2), Code 2021, in existence prior  
11 to January 1, 2021, shall remain in effect, and an applicant  
12 from that wait list shall be given priority on any new wait  
13 list based upon the date the application for the credit was  
14 received by the department.

15 Sec. \_\_\_\_\_. EFFECTIVE DATE. This division of this Act, being  
16 deemed of immediate importance, takes effect upon enactment.

17 Sec. \_\_\_\_\_. RETROACTIVE APPLICABILITY. This division of this  
18 Act applies retroactively to January 1, 2021, for tax years  
19 ending on or after that date.>

20 2. By renumbering as necessary.

---

KEVIN KINNEY