

AN ACT

MODIFYING PROVISIONS APPLICABLE TO THE SOLAR ENERGY SYSTEM  
TAX CREDIT, AND INCLUDING EFFECTIVE DATE AND RETROACTIVE  
APPLICABILITY PROVISIONS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 422.11L, subsection 1, paragraphs a and b, Code 2014, are amended to read as follows:

*a.* ~~Fifty~~ Sixty percent of the federal residential energy efficient property credit related to solar energy provided in section 25D of the Internal Revenue Code, not to exceed ~~three~~ five thousand dollars.

*b.* ~~Fifty~~ Sixty percent of the federal energy credit related to solar energy systems provided in section 48 of the Internal Revenue Code, not to exceed ~~fifteen~~ twenty thousand dollars.

Sec. 2. Section 422.11L, subsection 3, Code 2014, is amended by adding the following new paragraphs:

NEW PARAGRAPH. *c.* A taxpayer may claim more than one credit under this section, but may claim only one credit per separate and distinct solar installation. The department shall establish criteria, by rule, for determining what constitutes a separate and distinct installation.

NEW PARAGRAPH. *d.* A taxpayer must submit an application to the department for each separate and distinct solar installation. The application must be approved by the department in order to claim the tax credit. The application must be filed by May 1 following the year of the installation of the solar energy system.

Sec. 3. Section 422.11L, subsection 4, Code 2014, is amended to read as follows:

4. *a.* The cumulative value of tax credits claimed annually

by applicants pursuant to this section shall not exceed one four million five hundred thousand dollars. Of this amount, at least one million dollars shall be reserved for claims associated with or resulting from residential solar energy system installations. In the event that the total amount of claims submitted for residential solar energy system installations in a tax year is an amount less than one million dollars, the remaining unclaimed reserved amount shall be made available for claims associated with or resulting from nonresidential solar energy system installations received for the tax year.

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

Sec. 4. EFFECTIVE UPON ENACTMENT. This Act, being deemed of immediate importance, takes effect upon enactment.

Sec. 5. RETROACTIVE APPLICABILITY. This Act applies retroactively to January 1, 2014, for tax years beginning and installations occurring on or after that date.

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PAM JOCHUM  
President of the Senate

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KRAIG PAULSEN  
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 2340, Eighty-fifth General Assembly.

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MICHAEL E. MARSHALL  
Secretary of the Senate

Approved \_\_\_\_\_, 2014

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TERRY E. BRANSTAD  
Governor