

**Senate File 431 - Introduced**

SENATE FILE 431

BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO SSB 1175)

**A BILL FOR**

- 1 An Act modifying provisions relating to solar energy system
- 2 income tax credits and including effective date and
- 3 applicability provisions.
- 4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 422.11L, subsection 3, Code 2013, is  
2 amended by adding the following new paragraph:

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

8 Sec. 2. Section 422.11L, subsection 4, Code 2013, is amended  
9 to read as follows:

10 4. a. The cumulative value of tax credits claimed annually  
11 by applicants pursuant to this section shall not exceed one  
12 million five hundred thousand dollars.

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

18 Sec. 3. EFFECTIVE UPON ENACTMENT. This Act, being deemed of  
19 immediate importance, takes effect upon enactment.

20 Sec. 4. RETROACTIVE APPLICABILITY. This Act applies  
21 retroactively to January 1, 2013, for tax years beginning on  
22 or after that date.

23 EXPLANATION

24 This bill relates to the individual and corporate income  
25 tax credits for solar energy systems. The bill makes two  
26 modifications to existing provisions contained in Code section  
27 422.11L.

28 The bill permits a taxpayer to claim more than one credit  
29 provided the credit is being claimed for separate and distinct  
30 solar installations. The bill directs the department of  
31 revenue to establish criteria, by rule, for determining what  
32 constitutes a separate and distinct installation.

33 The bill provides that if not all of the tax credits  
34 available for a tax year are claimed, the amount of the  
35 unclaimed tax credits shall be made available for the following

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1 tax year in addition to, and cumulated with, the amount  
2 otherwise annually allocated for a tax year. Current Code  
3 provides that the cumulative value of tax credits which may be  
4 claimed annually by applicants shall not exceed \$1.5 million.

5 The bill takes effect upon enactment and applies  
6 retroactively to January 1, 2013, for tax years beginning on  
7 or after that date.