

Senate Study Bill 1192 - Introduced

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
WAYS AND MEANS BILL BY
CHAIRPERSON BOLKCOM)

A BILL FOR

1 An Act increasing the cumulative value of solar energy tax
2 credits which may be claimed annually, and including
3 effective date and retroactive applicability provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 422.11L, subsection 1, paragraph a, Code
2 2015, is amended to read as follows:

3 a. Sixty percent of the federal residential energy efficient
4 property credit related to solar energy provided in section
5 ~~25E(a)(1)~~ 25D(a)(1) and section 25D(a)(2) of the Internal
6 Revenue Code, not to exceed five thousand dollars.

7 Sec. 2. Section 422.11L, subsection 4, paragraph a, Code
8 2015, is amended to read as follows:

9 a. The cumulative value of tax credits claimed annually
10 by applicants pursuant to this section shall not exceed ~~four~~
11 six million five hundred thousand dollars. Of this amount,
12 at least one million dollars shall be reserved for claims
13 associated with or resulting from residential solar energy
14 system installations. In the event that the total amount
15 of claims submitted for residential solar energy system
16 installations in a tax year is an amount less than one million
17 dollars, the remaining unclaimed reserved amount shall be
18 made available for claims associated with or resulting from
19 nonresidential solar energy system installations received for
20 the tax year.

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

23 Sec. 4. RETROACTIVE APPLICABILITY. This Act applies
24 retroactively to January 1, 2015, for tax years beginning and
25 installations occurring on or after that date.

26 EXPLANATION

27 The inclusion of this explanation does not constitute agreement with
28 the explanation's substance by the members of the general assembly.

29 This bill increases the limitation on the cumulative value
30 of solar energy income tax credits that may be claimed annually
31 from \$4.5 million to \$6.5 million. The increase would be
32 applicable to the combined amount of individual, corporate, and
33 franchise solar income tax credits claimed pursuant to Code
34 sections 422.11L, 422.33, and 422.60.

35 The bill also makes a technical correction to an Internal

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1 Revenue Code reference relating to the federal solar energy tax
2 credits.

3 The bill takes effect upon enactment and applies
4 retroactively to January 1, 2015, for tax years beginning on
5 or after that date.