THE SENATE TWENTY-EIGHTH LEGISLATURE, 2016 STATE OF HAWAII S.B. NO. ²⁶⁵² S.D. 2 H.D. 2

A BILL FOR AN ACT

RELATING TO TAXATION.

1

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

PART I

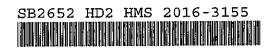
2 SECTION 1. Hawaii is vulnerable to soaring prices or disruptions of its energy imports, which can hinder, cripple, or 3 even devastate the State's economy and the well-being of its 4 inhabitants. As the most isolated land mass on Earth, Hawaii 5 imports nearly ninety per cent of its energy and almost one 6 hundred per cent of its transportation resources. The 7 legislature finds that it is critical for Hawaii to ensure 8 greater energy security by becoming more self-sufficient in its 9 10 energy and food supply.

The legislature also finds that providing additional 11 support to Hawaii's agriculture industry could help to reduce 12 reliance on imports and to foster job growth in the State. The 13 legislature believes that creating a stronger market for 14 renewable fuels will promote the production of locally-grown 15 The legislature also believes that reducing the 16 feedstock. burden on the emerging number of small farmers seeking costly, 17



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1	but necessary, certifications and inspections will help to
2	promote the production of locally-grown food.
3	The purpose of this Act is to:
4	(1) Establish a renewable fuels production tax credit to
5	achieve greater energy security for Hawaii;
6	(2) Repeal the ethanol facility tax credit; and
7	(3) Establish a tax credit for farmers, ranchers, and
8	producers seeking to obtain organic certification.
9	PART II
10	SECTION 2. Chapter 235, Hawaii Revised Statutes, is
11	amended by adding a new section to be appropriately designated
12	and to read as follows:
13	"§235-A Renewable fuels production tax credit. (a) As
14	used in this section:
15	"Credit period" means a maximum period of five consecutive
16	years, beginning from the first taxable year in which a taxpayer
17	begins renewable fuels production at a level of at least fifteen
18	billion British thermal units of renewable fuels per year.
19	"Net income tax liability" means income tax liability
20	reduced by all other credits allowed under this chapter.
21	"Renewable feedstocks" means:



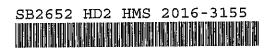
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- 1 (1) Biomass crops;
- 2 (2) Agricultural residues;
- 3 (3) Oil crops, including but not limited to algae, canola,
- 4 jatropha, palm, soybean, and sunflower;
- 5 (4) Sugar and starch crops, including but not limited to
- 6 sugar cane and cassava;
- 7 (5) Other agricultural crops;
- 8 (6) Grease and waste cooking oil;
- 9 (7) Food wastes;
- 10 (8) Municipal solid wastes and industrial wastes;
- 11 (9) Water; and
- 12 (10) Animal residues and wastes,
- 13 that can be used to generate energy.
- 14 "Renewable fuels" means fuels produced from renewable
- 15 feedstocks; provided that:
- 16 (1) The fuels shall be sold as a fuel; and
- 17 (2) The fuels meet the relevant ASTM International
- 18 specifications for the particular fuel or other
- 19 industry specifications for liquid or gaseous fuels,
- 20 including but not limited to:
- 21 (A) Methanol, ethanol, or other alcohols;



1	(B) Hydrogen;
2	(C) Biodiesel or renewable diesel;
3	(D) Biogas;
4	(E) Other biofuels; or
5	(F) Renewable jet fuel or renewable gasoline.
6	(b) Each year during the credit period, there shall be
7	allowed to each taxpayer subject to the taxes imposed by this
8	chapter, a renewable fuels production tax credit that shall be
9	applied to the taxpayer's net income tax liability, if any,
10	imposed by this chapter for the taxable year in which the credit
11	is properly claimed.
12	For each taxpayer producing renewable fuels, the annual
13	dollar amount of the renewable fuels production tax credit
14	during the five-year credit period shall be equal to cents
15	per seventy-six thousand British thermal units of renewable
16	fuels using the lower heating value sold for distribution in
17	Hawaii; provided that the taxpayer's production of renewable
18	fuels is not less than fifteen billion British thermal units of
19	renewable fuels per year; provided further that the amount of
20	the tax credit claimed under this section by a taxpayer shall
21	not exceed \$ per taxable year. No other tax credit may



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1	be claimed	d under this chapter for the costs related to renewable
2	fuels prod	luction that are used to properly claim a tax credit
3	under this	s section for the taxable year.
4	(c)	The department of business, economic development, and
5	tourism sh	hall:
6	(1)	Verify the amount and type of renewable fuels produced
7		and sold, including the purpose for which the fuel was
8		produced;
9	(2)	Total all renewable fuels production that the
10		department of business, economic development, and
11		tourism certifies for purposes of paragraph (3); and
12	(3)	Certify the total amount of the tax credit for each
13		taxable year and the cumulative amount of the tax
14		credit during the credit period.
15	<u>Upon each</u>	determination, the department of business, economic
16	developme	nt, and tourism shall issue a certificate to the
17	taxpayer	verifying the amount of renewable fuels produced and
18	sold, the	credit amount certified for each taxable year, and the
19	<u>cumulativ</u>	e amount of the tax credit during the credit period.
2Ò	<u>The taxpa</u>	yer shall file the certificate with the taxpayer's tax
21	<u>return wi</u>	th the department of taxation. Notwithstanding the

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1	department of business, economic development, and tourism's
2	certification authority under this section, the director of
3	taxation may audit and adjust the certification to conform to
4	the facts.
5	If in any year, the annual amount of certified credits
6	reaches \$ in the aggregate, the department of business,
7	economic development, and tourism shall immediately discontinue
8	certifying credits and notify the department of taxation. In no
9	instance shall the total amount of certified credits exceed
10	\$ per year. Notwithstanding any other law to the
11	contrary, the verification and certification information
12	compiled by the department of business, economic development,
13	and tourism shall be available for public inspection and
14	dissemination under chapter 92F.
15	(d) If the credit under this section exceeds the
16	taxpayer's net income tax liability, the excess of the credit
17	over liability may be used as a credit against the taxpayer's
18	net income tax liability in subsequent years until exhausted.
19	All claims for a credit under this section shall be properly
20	filed on or before the end of the twelfth month following the
21	close of the taxable year for which the credit may be claimed.



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Failure to comply with the foregoing provision shall constitute
a waiver of the right to claim the credit.
(e) Prior to production of any renewable fuels for the
year, the taxpayer shall provide written notice of the
taxpayer's intention to begin production of renewable fuels.
The information shall be provided to the department of taxation
and the department of business, economic development, and
tourism on forms provided by the department of business,
economic development, and tourism, and shall include information
on the taxpayer, facility location, facility production
capacity, anticipated production start date, and taxpayer's
contact information. Notwithstanding any other law to the
contrary, this taxpayer and facility information shall be
available for public inspection and dissemination under chapter
92F.
(f) The taxpayer shall provide written notice to the
director of taxation and the director of business, economic
development, and tourism within thirty days following the start
of production. The notice shall include the production start
date and expected renewable fuels production for the next twelve
months. Notwithstanding any other law to the contrary, this



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1	production	n information shall be available for public inspection
2	and disse	mination under chapter 92F.
3	(g)	Each calendar year during the credit period, the
4	taxpayer	shall provide information to the director of business,
5	economic	development, and tourism on:
6	(1)	The number of British thermal units of renewable fuels
7		produced and sold during the previous calendar year;
8	(2)	The type of fuels;
9	(3)	Feedstocks used for renewable fuels production;
10	(4)	The number of employees of the facility and each
11		employee's state of residency; and
12	(5)	The projected number of British thermal units of
13		renewable fuels production for the succeeding year.
14	<u>(h)</u>	In the case of a partnership, S corporation, estate,
15	or trust,	distribution and share of the renewable fuels
16	productic	on tax credit shall be determined pursuant to section
17	. <u>704(b) (</u> w	ith respect to partner's distributive share) of the
18	Internal	Revenue Code.
19	<u>(i)</u>	Following each year in which a credit under this
20	section h	as been claimed, the director of business, economic
21	developme	ent, and tourism shall submit a written report to the



1	governor a	and legislature regarding the production and sale of
2	renewable	fuels. The report shall include:
3	(1)	The number, location, and production of renewable
4		fuels production facilities in the State and outside
5		the State that have claimed a credit under this
6		section;
7	(2)	The total number of British thermal units of renewable
8		fuels, broken down by type of fuel, produced and sold
9		during the previous year; and
10	(3)	The projected number of British thermal units of
11		renewable fuels production for the succeeding year.
12	<u>(j)</u>	The director of taxation shall prepare forms that may
13	be necess	ary to claim a credit under this section. The director
14	of taxati	on may require the taxpayer to furnish information to
15	ascertain	the validity of the claim for credit made under this
16	section a	nd may adopt rules necessary to effectuate the purposes
17	of this s	ection pursuant to chapter 91."
18	SECT	ION 3. Section 235-110.3, Hawaii Revised Statutes, is
19	repealed.	-
20	[" §2	35-110.3 Ethanol facility tax credit. (a) Each year
21	during-th	e credit period, there shall be allowed to each

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1	taxpayer subject to the taxes imposed by this chapter, an	
2	ethanol facility tax credit that shall be applied to the	
3	taxpayer's net income tax liability, if any, imposed by this	
4	chapter for the taxable year in which the credit is properly	
5	claimed.	
6	For each qualified ethanol production facility, the annual	
7	dollar amount of the ethanol facility tax credit during the	
8	eight year period shall be equal to thirty per cent of its	
9	nameplate capacity if the nameplate capacity is greater than	
10	five hundred thousand but less than fifteen million gallons. A	
11	taxpayer may claim this credit for each qualifying ethanol	
12	facility; provided that:	
13	(1) The claim for this credit by any taxpayer of a	
14	qualifying ethanol production facility shall not	
15	exceed one hundred per cent of the total of all	
16	investments made by the taxpayer in the qualifying	
17	ethanol production facility during the credit period;	
18	(2) The qualifying ethanol production facility operated at	
19	a level of production of at least seventy five per	
20	cent of its nameplate capacity on an annualized basis;	

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1	(3) The qualifying ethanol production facility is in
2	production on or before January 1, 2017; and
3	(4) No-taxpayer that claims the credit under this section
4	shall claim any other tax credit under this chapter
5	for the same taxable year.
6	(b) As used in this section:
7	"Credit-period" means a maximum period of eight-years
8	beginning from the first taxable year in which the qualifying
9	ethanol production facility begins production even if actual
10	production is not at seventy five per cent of nameplate
11	capacity.
12	"Investment" means a nonrefundable capital expenditure
13	related to the development and construction of any qualifying
14	ethanol-production facility, including processing equipment,
15	waste treatment systems, pipelines, and liquid storage tanks-at
16	the facility or remote-locations, including expansions or
17	modifications. Capital expenditures shall be those direct and
18	certain indirect costs determined in accordance with section
19	263A of the Internal Revenue Code, relating to uniform
20	capitalization costs, but shall not include expenses for
21	compensation paid to officers of the taxpayer, pension and other



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1	related costs, rent for land, the costs of repairing and
2	maintaining the equipment or facilities, training of operating
3	personnel, utility costs during construction, property taxes,
4	costs relating to negotiation of commercial agreements not
5	related to development or construction, or service costs that
6	can be identified specifically with a service department or
7	function or that directly benefit or are incurred by reason of a
8	service department or function. For the purposes of determining
9	a capital expenditure under this section, the provisions of
10	section 263A of the Internal Revenue Code shall apply as it read
11	on March 1, 2004. For purposes of this section, investment
12	excludes land costs and includes any investment for which the
13	taxpayer is at risk, as that term is used in section 465 of the
14	Internal Revenue Code (with respect to deductions limited to
15	amount at risk).
16	"Nameplate capacity" means the qualifying ethanol
17	production facility's production design capacity, in gallons of
18	motor fuel grade ethanol per year.
19	"Net income tax liability" means net income tax liability
20	reduced by all other credits allowed under this chapter.

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1	"Qualifying ethanol production" means-ethanol produced from
2	renewable, organic feedstocks, or waste materials, including
3	municipal solid waste. All qualifying production shall be
4	fermented, distilled, gasified, or produced by physical chemical
5	conversion methods such as reformation and catalytic conversion
6	and dehydrated at the facility.
7	"Qualifying ethanol production facility" or "facility"
8	means a facility located in Hawaii which produces motor fuel
9	grade ethanol meeting the minimum specifications by the American
10	Society of Testing and Materials standard D 4806, as amended.
11	(c) In the case of a taxable year in which the cumulative
12	claims for the credit by the taxpayer of a qualifying ethanol
13	production facility-exceeds the cumulative investment made in
14	the qualifying ethanol production facility by the taxpayer, only
15	that portion that does not exceed the cumulative investment
16	shall be-claimed and allowed.
17	(d) The department of business, economic development, and
18	tourism shall:
19	(1) Maintain records of the total amount of investment
20	made by each taxpayer in a facility;
21	(2) Verify the amount of the qualifying investment;



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1	-(3) -	Total all qualifying and cumulative investments that
2		the department of business, economic development, and
3		tourism certifies; and
4	(4)	Certify the total amount of the tax credit for each
5		taxable-year and the cumulative amount of the tax
6		credit during the credit period.
7	Upon-	each determination, the department of business,
8	economic d	levelopment, and tourism shall issue a certificate to
9	the taxpay	ver verifying the qualifying investment amounts, the
10	credit amo	ount certified for each taxable year, and the
11	cumulative	
12	The taxpay	yer shall-file the certificate with the taxpayer's tax
13	return wi t	th the department of taxation. Notwithstanding the
14	department	-of business, economic development, and tourism's
15	certificat	tion authority under this section, the director of
16	taxation r	may audit and adjust certification to conform to the
17	facts.	
18	If i	n any year, the annual amount of certified credits
19	reaches \$:	12,000,000 in the aggregate, the department of
20	business,	-cconomic development, and tourism shall immediately
21	discontin	ue certifying credits and notify the department of



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1	taxation. In no instance shall the total amount of certified
2	credits exceed \$12,000,000 per year. Notwithstanding any other
3	law to the contrary, this information shall be available for
4	public inspection and dissemination under chapter 92F.
5	(e) If the credit under this section exceeds the
6	taxpayer's income-tax liability, the excess of credit over
7	liability shall be refunded to the taxpayer; provided that no
8	refunds or payments on account of the tax credit allowed by this
9	section shall be made for amounts less than \$1. All claims for
10	a credit under this section must be properly filed on or before
11	the end of the twelfth month following the close of the taxable
12	year for which the credit may be claimed. Failure to comply
13	with the foregoing provision shall constitute a waiver of the
14	right to claim the credit.
15	(f) If a qualifying ethanol production facility or an
16	interest therein is acquired by a taxpayer prior to the
17	expiration of the credit period, the credit allowable under
18	subsection (a) for any period after such acquisition shall be
19	equal to the credit that would have been allowable under
20	subsection (a) to the prior taxpayer had the taxpayer not
21	disposed of the interest. If an interest is disposed of during



1	any year for which the credit is allowable under subsection (a),
2	the credit shall be allowable between the parties on the basis
3	of the number of days during the year the interest was held by
4	each-taxpayer. In no case shall the credit allowed under
5	subsection (a) be allowed after the expiration of the credit
6	period.
7	(g) Once the total nameplate capacities of qualifying
8	ethanol production facilities built within the State reaches or
9	exceeds a level of forty million gallons per year, credits under
10	this section shall-not be allowed for new ethanol production
11	facilities. If a new-facility's production capacity-would cause
12	the statewide ethanol production capacity to exceed forty
13	million gallons per year, only the ethanol production capacity
14	that does not exceed the statewide forty million gallon per year
15	level shall be eligible for the credit.
16	(h) Prior to construction of any new qualifying ethanol
17	production facility, the taxpayer shall provide written notice
18	of the taxpayer's intention to begin construction of a
19	qualifying ethanol production facility The information shall
20	be provided to the department of taxation and the department of
21	business, economic development, and tourism on forms provided by



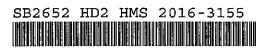
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1	the department of business, economic development, and tourism,
2	and shall include information on the taxpayer, facility
3	location, facility production capacity, anticipated production
4	start date, and the taxpayer's contact information.
5	Notwithstanding any other law to the contrary, this information
6	shall be available for public inspection and dissemination under
7	chapter 92F.
8	(i) The taxpayer shall provide written notice to the
9	director of taxation and the director of business, economic
10	development, and tourism within thirty days following the start
11	of production. The notice shall include the production start
12	date and expected ethanol fuel production for the next twenty
13	four months. Notwithstanding any other law to the contrary,
14	this information shall be available for public inspection and
15	dissemination under chapter 92F.
16	(j) If a qualifying ethanol production facility fails-to
17	achieve an average annual production of at least seventy five
18	per-cent-of-its-nameplate-capacity-for-two-consecutive-years,
19	the stated capacity of that facility may be revised by the
20	director of business, economic development, and tourism to
21	reflect actual production for the purposes of determining

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1	statewide production capacity under subsection (g) and allowable
2	credits for that facility under subsection (a). Notwithstanding
3	any other law to the contrary, this information shall be
4	available for public inspection and dissemination under chapter
5	92F.
6	(k) Each calendar year during the credit period, the
7	taxpayer shall provide information to the director of business,
8	economic development, and tourism on the number of gallons of
9	cthanol produced and sold during the previous-calendar year, how
10	much was sold in Hawaii versus overseas, feedstocks used for
11	ethanol production, the number of employees of the facility, and
12	the projected number of gallons of ethanol production for the
13	succeeding year.
14	(1) In the case of a partnership, S corporation, estate,
15	or-trust, the tax credit allowable is for every qualifying
16	ethanol production facility. The cost upon which the tax credit
17	is computed shall be determined at the entity level.
18	Distribution and share of credit shall be determined pursuant to
19	section 235 110.7(a).
20	(m) Following each year in which a credit under this
21	section has been claimed, the director of business, economic



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1	development, and tourism shall submit a written report to the
2	governor and legislature regarding the production and sale of
3	ethanol. The report shall include:
4	(1) The number, location, and nameplate capacities of
5	qualifying ethanol production facilities in the State;
6	(2) The total number of gallons of ethanol produced and
7	sold during the previous year; and
8	(3) The projected number of gallons of ethanol production
9	for the succeeding year.
10	(n) The director of taxation shall prepare forms that may
11	be necessary to claim a credit under this section.
12	Notwithstanding the department of business, economic
13	development, and tourism's certification authority under this
14	section, the director may audit and adjust certification to
15	conform to the facts. The director may also require the
16	taxpayer to furnish information to ascertain the validity of the
17	claim for credit made under this section and may adopt rules
18	necessary to effectuate the purposes of this section pursuant to
19	chapter 91. "]

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1	PART III
2	SECTION 4. Chapter 235, Hawaii Revised Statutes, is
3	amended by adding a new section to be appropriately designated
4	and to read as follows:
5	"§235-B Organic foods production tax credit. (a) There
6	shall be allowed to each qualified taxpayer subject to the tax
7	imposed under this chapter, an income tax credit that shall be
8	deductible from the taxpayer's net income tax liability, if any,
9	imposed by this chapter for the taxable year in which the credit
10	is properly claimed.
11	(b) The amount of the tax credit shall be equal to the
12	qualified expenses of the qualified taxpayer, up to a maximum of
13	<u>\$</u> .
14	(c) In the case of a partnership, S corporation, estate,
15	or trust, the tax credit allowable is for qualified expenses
16	incurred by the entity for the taxable year. The expenses upon
17	which the tax credit is computed shall be determined at the
18	entity level. Distribution and share of credit shall be
19	determined by rule.
20	(d) The total amount of tax credits allowed under this
21	section shall not exceed \$ for all qualified taxpayers

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1	in any ta	xable year; provided that any taxpayer who is not
2	eligible (to claim the credit in a taxable year due to the
3	\$	cap having been exceeded for that taxable year shall
4	be eligib	le to claim the credit in the subsequent taxable year.
5	<u>(e)</u>	Every qualified taxpayer, before March 31 of each year
6	in which o	qualified expenses were incurred by the taxpayer in the
7	previous	taxable year, shall submit a written, certified
8	statement	to the chairperson of the board of agriculture
9	identifyi	ng:
10	(1)	Qualified expenses incurred in the previous taxable
11		year; and
12	(2)	The amount of the tax credit claimed by the taxpayer
13		pursuant to this section, if any, in the previous
14		taxable year.
15	<u>(f)</u>	The department of agriculture shall:
16	(1)	Maintain records of the names and addresses of the
17		qualified taxpayers claiming the credits under this
18		section and the total amount of the qualified expenses
19		upon which the tax credits are based;
20	(2)	Verify the nature and amount of the qualified
21		expenses;



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1	(3) Total all qualified a	nd cumulative expenses that the
2	<u>department</u> certifies;	and
3	3 (4) Certify the amount of	the tax credit for each taxpayer
4	for each taxable year	and the cumulative amount of the
5	tax credit.	
6	6 Upon each determination ma	de under this subsection, the
7	7 department of agriculture shall	issue a certificate to the
8	8 taxpayer verifying information	submitted to the department of
9	agriculture, including amounts of qualified expenses, the credit	
10	amount certified for the taxpay	ver for each taxable year, and the
11	l <u>cumulative amount of tax credit</u>	s certified. The taxpayer shall
12	2 file the certificate with the t	axpayer's tax return with the
13	3 department of taxation.	
14	4 <u>The board of agriculture management</u>	may assess and collect a fee to
15	5 offset the costs of certifying	tax credit claims under this
16	6 <u>section.</u>	
17	7 (g) The director of taxat	ion:
18	8 (1) Shall prepare any for	rms that may be necessary to claim
19	9 <u>a tax credit under th</u>	his section;

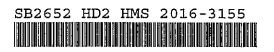
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1	(2) May require the taxpayer to furnish reasonable	
2	information to ascertain the validity of the claim for	
3	the tax credit made under this section; and	
4	(3) May adopt rules under chapter 91 necessary to	
5	effectuate the purposes of this section.	
6	(h) If the tax credit under this section exceeds the	
7	axpayer's net income tax liability, the excess of the credit	
8	over liability may be used as a credit against the taxpayer's	
9	et income tax liability in subsequent years until exhausted.	
10	All claims for the tax credit under this section, including	
11	amended claims, shall be filed on or before the end of the	
12	welfth month following the close of the taxable year for which	
13	he credit may be claimed. Failure to comply with the foregoing	
14	provision shall constitute a waiver of the right to claim the	
15	eredit.	
16	(i) As used in this section:	
17	"Net income tax liability" means income tax liability	
18	educed by all other credits allowed under this chapter.	
19	"Organic Foods Production Act" means the federal Organic	
20	oods Production Act of 1990, as amended (7 United States Code	
21	ection 6501 et seq.).	



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1	"Org	anic system plan" has the same meaning as provided in 7
2	Code of Federal Regulations section 205.2.	
3	"Qualified expenses" means expenses incurred by a qualified	
4	taxpayer to produce organically produced agricultural products,	
5	including expenses incurred to obtain organic certification from	
6	the United States Department of Agriculture, pursuant to the	
7	<u>Organic F</u>	oods Production Act. "Qualified expenses" include:
8	(1)	Application fees;
9	(2)	Inspection costs;
10	(3)	Fees related to equivalency agreement/arrangement
11		requirements, travel/per diem for inspectors, user
12		fees, sales assessments, and postage; and
13	(4)	Costs for any equipment, materials, or supplies
14		necessary for organic certification or production of
15		agricultural products, in accordance with the
16		qualified taxpayer's organic system plan and the
17		organic production and handling requirements of the
18		National Organic Program, codified at 7 Code of
19		Federal Regulations part 205, subpart C, including but
20		not limited to certified organic seed, cover crops, or
21		animal feed.



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1	"Qualifie	d expenses" shall not include any amount refunded or to
2	<u>be refund</u>	ed to the taxpayer by the United States Department of
3	Agriculture's organic certification cost-share program or any	
4	other similar financial assistance program.	
5	<u>"Qua</u>	lified taxpayer" means a producer, handler, or handling
6	operation	, as those terms are defined in title 7 United States
7	Code sect	ion 6502:
8	(1)	That sells agricultural products in adherence to the
9		standards and requirements of the Organic Foods
10		Production Act;
11	(2)	That has applied for organic certification, in
12		accordance with the requirements of the Organic Foods
13		Production Act; and
14	(3)	Whose gross income from the sale of organically
15		produced agricultural products for the most recently
16		reported fiscal year totals no more than \$50,000."
17		PART IV
18	SECT	ION 5. If any provision of this Act, or the
19	applicati	on thereof to any person or circumstance, is held
20	invalid,	the invalidity does not affect other provisions or
21	applicati	ons of the Act that can be given effect without the

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invalid provision or application, and to this end the provisions
 of this Act are severable.

3 SECTION 6. In codifying the new sections added by sections
4 2 and 4 of this Act, the revisor of statutes shall substitute
5 appropriate section numbers for the letters used in designating
6 the new sections in this Act.

7 SECTION 7. Statutory material to be repealed is bracketed8 and stricken. New statutory material is underscored.

9 SECTION 8. This Act shall take effect on July 1, 2050, and
10 shall apply to taxable years beginning after December 31, 2016;
11 provided that section 2 shall be repealed on December 31, 2021.





Report Title: Tax Credit; Renewable Fuels Production; Organic Foods Production

Description:

Establishes a 5-year renewable fuels production tax credit applicable to taxable years beginning after 12/31/2016. Repeals the ethanol facility tax credit. Repeals the renewable fuels production tax credit on 12/31/2021. Establishes an organic foods production tax credit applicable to taxable years beginning after 12/31/2016. (SB2652 HD2)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

