

ACT 70

S.B. NO. 2471-86

A Bill for an Act Relating to Ice Storage Systems.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. 235-12, Hawaii Revised Statutes, is amended to read as follows:

“§235-12 Solar or wind energy devices [and], heat pumps[;] or ice storage systems; income tax credit. (a) Each individual and corporate resident taxpayer who files an individual or corporate net income tax return for a taxable year, may claim a tax credit under this section against the Hawaii State individual or corporate net income tax. The tax credit may be claimed for any solar or wind energy device [or], heat pump, or ice storage system in an amount not to exceed ten per cent of the total cost of the device [or], heat pump[;], or ice storage system; provided that the tax credit shall apply only to the actual cost of the solar or wind energy device [or], the heat pump, or ice storage system, their accessories, and installation and shall not include the cost of consumer incentive premiums unrelated to the operation of the solar or wind energy device [or], the heat pump, or ice storage system offered with the sale of the solar or wind energy device [or], the heat pump[;], or ice storage system. The credit shall be claimed against net income tax liability for the year in which the solar or wind energy device [or], the heat pump, or ice storage system was purchased and placed in use; provided [the]:

- (1) The tax credit shall be applicable only with respect to solar devices which are erected and placed in service after December [12,] 31, 1974, but before December 31, 1992; [provided further that in]

- (2) In the case of wind energy devices and heat pumps, the tax credit shall be applicable only with respect to wind energy devices and heat pumps which are installed and placed in service after December 31, 1980, but before December 31, 1992[.]; and
- (3) In the case of ice storage systems, the tax credit shall be applicable only with respect to ice storage systems which are installed and placed in service after December 31, 1985, but before December 31, 1992.

Tax credits which exceed the taxpayer's income tax liability may be used as a credit against [his] the taxpayer's income tax liability in subsequent years until exhausted. If federal energy tax credits are not extended beyond December 31, 1985, the state tax credit shall be increased to fifteen per cent of the total cost from the time of expiration of the federal tax credit to December 31, 1992.

(b) The director of taxation shall prepare such forms as may be necessary to claim a credit under this section. [He] The director may also require the taxpayer to furnish reasonable information in order [that he may] to ascertain the validity of the claim for credit made under this section and [he] may adopt rules necessary to effectuate the purposes of this section pursuant to chapter 91.

(c) As used in this section ["solar]:

"Solar or wind energy device" means any new identifiable facility, equipment, apparatus, or the like which makes use of solar or wind energy for heating, cooling, or reducing the use of other types of energy dependent upon fossil fuel for their generation.

"Heat pump" means and refers to an electric powered compression heating system which utilizes warm ambient air or heated gas to assist in the production of hot water.

"Ice storage system" refers to ice banks or other cool energy storage tanks, containers, accessories, and controls that are specifically designed to store ice or chilled fluids for the express purpose of shifting the consumption of energy to off-peak periods."

SECTION 2. Statutory material to be repealed is bracketed. New statutory material is underscored.

SECTION 3. This Act, upon its approval, shall apply to taxable years beginning after December 31, 1985.

(Approved April 22, 1986.)