

A Bill for an Act Relating to Income Tax Credits for Energy Conservation.

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

SECTION 1. Section 235-12, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

“(b) For taxable years beginning after December 31, 1989, each individual or 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 as follows:

- (1) For wind energy systems that are installed and placed in service after December 31, 1989, but before January 1, 1999, the credit shall be twenty per cent of the actual cost;
- (2) For solar energy systems that are installed and placed in service after December 31, 1989, but before January 1, 1999, on new and existing single family residential buildings, the credit shall be in an amount not to exceed thirty-five per cent or \$1,750, whichever is less, of the actual cost of the solar energy system;
- (3) For solar energy systems that are installed and placed in service after December 31, 1989, but before January 1, 1999, on new and existing multiunit buildings used primarily for residential purposes, the credit shall be in an amount not to exceed thirty-five per cent or \$350 per building unit, whichever is less, of the actual cost of the solar energy system; provided that a [registered,] licensed professional engineer [approves] reviews the design of the system and [certifies] provides a written opinion that the [solar design provides] system, in accordance with recognized engineering practice, is designed to provide not less than eighty per cent of the daily annual average hot water needs of all the occupants of the building;
- (4) For solar energy systems that are installed and placed in service after December 31, 1989, but before January 1, 1999, in new and existing hotel, commercial, and industrial facilities, the credit shall be in an amount not to exceed thirty-five per cent of the actual cost of the solar energy system;
- (5) For heat pumps that are installed and placed in service after December 31, 1989, but before January 1, 1999, in new and existing single-family residential buildings, the credit shall be in an amount not to exceed twenty per cent or \$400, whichever is less, of the actual cost of the heat pump;
- (6) For heat pumps that are installed and placed in service after December 31, 1989, but before January 1, 1999, in new and existing multiunit buildings used primarily for residential purposes, the credit shall be in an amount not to exceed twenty per cent or \$200 per building unit, whichever is less, of the actual cost of the heat pump; provided that a [registered,] licensed professional engineer [approves] reviews the design of the system and [certifies] provides a written opinion that the [heat pump provides] system, in accordance with recognized engineering practice, is designed to provide not less than ninety per cent of the daily annual average hot water needs of all of the occupants of the building;

- (7) For heat pumps that are installed and placed in service after December 31, 1989, but before January 1, 1999, in new and existing hotel, commercial, and industrial facilities, the credit shall be in an amount not to exceed twenty per cent of the actual cost of the heat pump; and
- (8) For ice storage systems that are installed and placed in service after December 31, 1990, but before January 1, 1999, the credit shall be in an amount not to exceed fifty per cent of the actual cost of the ice storage system.

The per unit of actual cost of a solar energy system or heat pump referred to in subsection (b)(3) and (6) shall be determined by multiplying the actual cost of the solar energy system or heat pump installed and placed in service in the multiunit building by a fraction, the numerator being the total square feet of that unit in the multiunit building, and the denominator being the total square feet of all the units in the multiunit building.”

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

SECTION 3. This Act shall take effect upon its approval.

(Approved May 7, 1993.)