

2017 Regular Session

HOUSE BILL NO. 416

BY REPRESENTATIVE LEGER

TAX CREDITS: Provides for the payment of certain claims for the solar energy systems tax credit and authorizes the payment of interest under certain circumstances

1 AN ACT

2 To enact R.S. 47:6030(B)(1)(c)(v), relative to tax credits; to provide with respect to the solar  
3 energy systems tax credit; to provide for the payment and claiming of the credit on  
4 purchased systems; to authorize the payment of interest for certain tax credit claims;  
5 to provide for certain requirements and limitations; to provide for effectiveness; and  
6 to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 47:6030(B)(1)(c)(v) is hereby enacted to read as follows:

9 §6030. Solar energy systems tax credit

10 \* \* \*

11 B.(1) Purchased systems. The tax credit for the purchase and installation of  
12 an eligible system at a Louisiana residence or for a system which is already installed  
13 in a newly constructed home located in Louisiana shall be subject to the following  
14 provisions:

15 \* \* \*

16 (c) Beginning in Fiscal Year 2015-2016, the maximum amount of tax credits  
17 for purchased systems which may be granted by the department on any return,  
18 regardless of tax year, shall be as follows:

19 \* \* \*

1            (v) Notwithstanding the provisions of Items (i) through (iv) of this  
2            Subparagraph, any taxpayer whose claim for a credit was denied for any portion of  
3            the original claim for a credit pursuant to the provisions of Items (i) through (iv) of  
4            this Subparagraph shall be granted the full amount of the credit for which the  
5            purchased solar energy system is eligible based on the original claim provided the  
6            claim relates to a solar energy system that was purchased and installed on or before  
7            December 31, 2015, and the claim meets all other requirements of an eligible system.  
8            For purposes of this Item, no amendment concerning the date of purchase and  
9            installation of the solar energy system for which the claim relates shall be allowed.  
10           Interest at the annual rate established pursuant to R.S. 13:4202 shall be allowed to  
11           accrue beginning ninety days after July 1, 2017, for all payments of credit claims  
12           which were previously denied pursuant to the provisions of this Subparagraph and  
13           for systems granted a credit from the credit cap period which relates to credits  
14           claimed on a return filed on or after July 1, 2017.

\* \* \*

15  
16           Section 2. This Act shall become effective upon signature by the governor or, if not  
17 signed by the governor, upon expiration of the time for bills to become law without signature  
18 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
19 vetoed by the governor and subsequently approved by the legislature, this Act shall become  
20 effective on the day following such approval.

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DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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HB 416 Original

2017 Regular Session

Leger

**Abstract:** Authorizes the payment of claims for credits on eligible solar energy systems purchased and installed on or before Dec. 31, 2015, and authorizes the payment of interest under certain circumstances.

Present law provides for a state income tax credit for the purchase and installation of a solar energy system on a La. residence. The credit requirements and benefits differ based upon whether the system is purchased by the homeowner for installation at his residence, or if it is purchased by a third party for installation at another person's residence.

**Purchased system**

Present law provides that for a system purchased by a homeowner before July 1, 2015, the amount of the tax credit is equal to 50% of the first \$25,000 of the system's cost. The amount of the tax credit for a system purchased and installed by a homeowner on or after July 1, 2015, and before Jan. 1, 2018, is the lesser of any of the following: 50% of the cost of purchase and installation, \$2 multiplied by the size of the system measured in DC watts, or \$10,000.

Proposed law retains present law.

Present law establishes annual caps, beginning with FY 2016, on the total amount of tax credits allowed on any return, regardless of tax year, as follows:

1. For tax credits claimed on returns filed on or after July 1, 2015, and before July 1, 2016, no more than \$10 million dollars.
2. For tax credits claimed on returns filed on or after July 1, 2016, and before July 1, 2017, no more than \$10 million dollars.
3. For tax credits claimed on a return filed on or after July 1, 2017, no more than \$5 million dollars.

Proposed law provides that notwithstanding the limitation on the amount of credits that may be granted in a fiscal year under present law, any taxpayer whose claim for a credit was denied for any portion of the original claim for a credit shall be granted the full amount of the credit for which the purchased solar energy system is eligible based on the original claim provided the claim relates to a solar energy system that was purchased and installed on or before Dec. 31, 2015. Further requires the claim meets all other requirements of an eligible system.

Proposed law prohibits an amendment concerning the date of purchase and installation of the solar energy system for which the claim relates.

Proposed law authorizes the payment of interest at the annual rate established in present law to accrue beginning 90 days after July 1, 2017, for all payments of credit claims which were previously denied and for systems granted a credit from the credit cap period which relates to credits claimed on a return filed on or after July 1, 2017.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Adds R.S. 47:6030(B)(1)(c)(v))