

2022 Regular Session

HOUSE BILL NO. 794

BY REPRESENTATIVE JORDAN

TAX/TAX REBATES: Authorizes a rebate for certain costs associated with the purchase and installation of solar electric systems

1 AN ACT

2 To enact Chapter 5 of Subtitle VII of Title 47 of the Louisiana Revised Statutes of 1950, to  
3 be comprised of R.S. 47:6361, relative to rebates of certain state funds; to provide  
4 for a rebate to Louisiana residents for purchases and installation of certain solar  
5 electric systems; to provide for the amount, approval, and issuance of rebates; to  
6 authorize the promulgation of rules; to provide for the recapture of rebates under  
7 certain circumstances; to provide for an effective date; and to provide for related  
8 matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. Chapter 5 of Subtitle VII of Title 47 of the Louisiana Revised Statutes of  
11 1950, comprised of R.S. 47:6361 is hereby enacted to read as follows:

12 CHAPTER 5. SOLAR ELECTRIC SYSTEM REBATE

13 §6361. Rebate; solar electric systems

14 A. There shall be allowed a rebate for Louisiana residents for the cost of  
15 purchase and installation of a solar electric system, hereinafter referred to as  
16 "system", on residential or commercial property or other buildings located in  
17 Louisiana. The rebate shall be allowed FOR newly constructed residential or  
18 commercial properties or other buildings with a system already installed or for  
19 systems purchased and installed at existing residential or commercial properties or

1 other buildings. The amount of the rebate shall be equal to the actual cost of  
2 purchase and installation of the system.

3 B. As used in this Section, the following terms shall have the following  
4 meanings unless the context clearly indicates otherwise:

5 (1) "Cost of purchase" or "cost" means the reasonable and prudent costs for  
6 the equipment and installation of the solar electric or solar thermal systems. "Cost  
7 of purchase" or "cost" shall not include any lease management fee or any inducement  
8 to make a purchase, including but not limited to: rebates; prizes; gift certificates;  
9 trips; additional energy items or services, except energy audits offered at no charge  
10 to the purchaser; or any other thing of value given by a seller, installer, or equipment  
11 manufacturer as an inducement to buy a solar electric or solar thermal system.

12 (2) "Secretary" means the secretary of the Department of Revenue.

13 (3) "Solar electric system" means a system consisting of photovoltaic panels  
14 with the primary purpose of converting sunlight to electrical energy and all  
15 equipment and apparatus necessary to connect, store, and process the electrical  
16 energy for connection to and use by an electrical load. "Solar electric system" shall  
17 include grid-connected net metering systems with or without battery backup, stand-  
18 alone alternating current (AC) systems, and stand-alone direct current (DC) systems.  
19 The eligible system components for a solar electric system shall include the  
20 following:

21 (a) For grid-connected, net metering solar electric systems, the components  
22 include photovoltaic panels, mounting systems, inverters, charge controllers,  
23 batteries, battery cases, alternating current (AC) and direct current (DC) disconnects,  
24 lightning and ground fault protection, junction boxes, remote metering display  
25 devices, and related electrical wiring materials from the photovoltaic panels to point  
26 of interconnection with the residence or electrical load.

27 (b) For stand-alone solar electric AC systems, the components include  
28 photovoltaic panels, mounting systems, inverters, charge controllers, batteries,  
29 battery cases, AC and DC disconnects, lightning and ground fault protection,

1 junction boxes, remote metering display devices, and related electrical wiring  
2 materials from the photovoltaic panels to point of interconnection with the residence  
3 or electrical load.

4 (c) For stand-alone solar electric DC systems, the components include  
5 photovoltaic panels, mounting systems, charge controllers, batteries, battery cases,  
6 DC disconnects, lightning and ground fault protection, junction boxes, remote  
7 metering display devices, and related electrical wiring materials from the  
8 photovoltaic panels to point of interconnection with the residence or electrical load.

9 C.(1) A Louisiana resident shall apply to the secretary for the rebate in a  
10 manner and on a form prescribed by the secretary. In order to claim the rebate, the  
11 applicant shall submit all of the following:

12 (a) Proof of system installation.

13 (b) A copy of a contract signed by the taxpayer demonstrating either full  
14 payment, with evidence of payment from cash on hand, or payment through  
15 financing obtained from a person other than the Solar Installer or an Installer  
16 Affiliate.

17 (c) The serial and model number of the system.

18 (d) Any other documentation required by administrative rule.

19 (2) The secretary shall verify each applicant's eligibility for the rebate and  
20 shall certify the list of eligible applicants and approved rebate amounts.

21 D. The secretary may promulgate rules in accordance with the  
22 Administrative Procedure Act, as are necessary to implement the provisions of this  
23 Section, including rules related to the recapture of the rebate if an applicant is  
24 subsequently determined to be ineligible for the rebate. The recapture of a rebate  
25 shall be an obligation to be collected and accounted for in the same manner as if it  
26 were a tax due to the secretary.

27 Section 2. This Act shall become effective upon signature by the governor or, if not  
28 signed by the governor, upon expiration of the time for bills to become law without signature  
29 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If

- 1 vetoed by the governor and subsequently approved by the legislature, this Act shall become  
2 effective on the day following such approval.

## 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)]

HB 794 Original

2022 Regular Session

Jordan

**Abstract:** Authorizes a rebate for the cost of purchase and installation of a solar electric system on residential or commercial properties or other buildings located in La.

Proposed law authorizes a rebate for La. residents for the cost of purchase and installation of a solar electric system, hereinafter referred to as "system", on residential or commercial property or other buildings located in La. The rebate shall be allowed in newly constructed properties or other buildings with a system already installed or for systems purchased and installed at an existing property or other building. The amount of the rebate shall be equal to the actual cost of purchase and installation of the system.

Proposed law defines "cost of purchase" or "cost" as the reasonable and prudent costs for the equipment and installation of the solar electric or solar thermal systems but shall not include any lease management fee or any inducement to make a purchase, including rebates, prizes, or gift certificates.

Proposed law defines a "solar electric system" or "system" as a system consisting of photovoltaic panels with the primary purpose of converting sunlight to electrical energy and all equipment and apparatus necessary to connect, store, and process the electrical energy for connection to and use by an electrical load. "Solar electric system" shall include grid-connected net metering systems with or without battery backup, stand-alone alternating current (AC) systems, and stand-alone direct current (DC) systems.

Proposed law requires a La. resident to apply to the secretary of the Dept. of Revenue (DOR) for the rebate in a manner and on a form prescribed by the secretary. In order to claim the rebate, the applicant shall include proof of system installation, a copy of a contract signed by the taxpayer demonstrating payment or financing of the system, the serial number and model number of the system, and any other documentation required by administrative rule.

Proposed law requires the secretary to verify each applicant's eligibility for the rebate and to certify the list of eligible applicants and approved rebate amounts.

Proposed law authorizes the secretary to promulgate rules in accordance with present law (Administrative Procedure Act) deemed necessary to implement the provisions of proposed law, including rules related to the recapture of the rebate if an applicant is subsequently determined to be ineligible for the rebate.

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

(Adds R.S. 47:6361)