
DIGEST

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HB 428 Original

2015 Regular Session

Jackson

Abstract: Changes the tax credit for the cost of purchase and installation of certain solar energy systems from a refundable credit to a credit in which amounts of the credit above the tax liability may be carried forward and applied against subsequent tax liability for up to five years.

Present law provides for an income tax credit for the cost of purchase and installation of a solar electric system or a solar thermal system at a single-family residence in this state. The credit is allowed for newly constructed homes with a system already installed or for a system purchased and installed at an existing home.

Present law provides that the amount of the credit for a system purchased and installed at a newly constructed or existing home shall be equal to 50% of the first \$25,000 of the cost of a system purchased and installed on or after Jan. 1, 2008, but before Jan. 1, 2018. The amount of the credit for leased systems ranges from 50% to 38% of the first \$25,000 of the cost of purchase of the system depending on the date the system is installed.

Present law provides that the taxpayer is entitled to a refund for any allowable credit which exceeds the aggregate tax liability of the taxpayer. Further requires the Dept. of Revenue to refund the excess tax credit amount to the taxpayer from current tax collections and to pay or disallow claims for credits, refunds, and interest within one year of receiving a tax credit or refund claim.

Proposed law changes the tax credit from a refundable credit to one in which credit amounts which exceed taxpayer liability may be carried forward against subsequent income or corporation franchise tax liability for up to five years. Proposed law removes references to refunds and interest from the requirement that the secretary pay tax credit amounts within one year of receipt of the tax credit claim.

Present law prohibits credits from being issued for systems installed after Dec. 31, 2017.

Proposed law retains present law.

Applicable to tax years beginning on or after Jan. 1, 2015.

(Amends R.S. 47:6030(F))