

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2009**

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**HOUSE BILL 905**  
**Committee Substitute Favorable 6/25/09**

Short Title: Study Renewable Energy Credits.

(Public)

Sponsors:

Referred to:

April 1, 2009

A BILL TO BE ENTITLED  
AN ACT TO AUTHORIZE THE REVENUE LAWS STUDY COMMITTEE AND THE  
ENVIRONMENTAL REVIEW COMMISSION TO STUDY RENEWABLE ENERGY  
AND ALTERNATIVE FUEL TAX CREDITS.

The General Assembly of North Carolina enacts:

**SECTION 1.** The Revenue Laws Study Committee and the Environmental Review Commission may study renewable energy tax credits and incentives for energy conservation.

(a) In conducting the study, the Committee and the Commission may examine the following:

- (1) The revenue impact of the credits, including how stable the revenue impact would be over time.
- (2) The tax incidence and equality of the credits, including who benefits from the credits and who ultimately will bear the burden of the tax credits.
- (3) The effectiveness of the credits, including whether the credits will effectively encourage investment in renewable energy and high-performance homes.
- (4) The efficiency and clarity of the tax credits, including whether the credits are easy to understand and easy to administer.

(b) The Committee and the Commission shall study the following:

- (1) The renewable energy property credit in G.S. 105-129.16A, including the following changes:
  - a. Expanding the credit to include combined heat and power property, geothermal heat pumps, and fuel cell equipment.
  - b. Extending the sunset of the credit.
  - c. Refining the definition of nonresidential property.
  - d. Allowing the credit to be taken against the gross premiums tax.
- (2) The renewable energy equipment facility construction credit that sunsets on January 1, 2006, including the following:
  - a. Expanding the credit to include combined heat and power property, geothermal heat pumps, and fuel cell equipment.
  - b. Expanding the credit to include the expansion and retooling of facilities.
- (3) A new tax credit for the construction or manufacture of high-performance homes, including the following:
  - a. The amount of credit.
  - b. The organizations that can certify a high-performance home.
- (4) A new tax credit for alternative fuels for motor vehicles, including:



- 1                   a.       Which alternative fuels for motor vehicles should be included in the
- 2                   credit.
- 3                   b.       Allowing the credit for refueling property.
- 4                   c.       Allowing the credit for alternative fuel facilities.
- 5                   d.       Allowing the credit for alternative fuel vehicles.

6       **SECTION 2.** This act is effective when it becomes law.