

GENERAL ASSEMBLY OF NORTH CAROLINA
1983 SESSION

CHAPTER 1105
HOUSE BILL 666

AN ACT TO AMEND THE INDIVIDUAL INCOME TAX ACT TO PROVIDE FOR
SOLAR TAX CREDITS FOR INDIVIDUALS' SERVICE AS WELL AS
MANUFACTURING BUSINESSES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-151.8 is rewritten to read as follows:

"§ 105-151.8. Credit against personal income tax for installation of solar equipment for the production of industrial or process heat. – (a) Any person who constructs or installs solar equipment for the production of heat in the manufacturing or service processes of his business located in this State shall be allowed a credit against the tax imposed by this Division equal to twenty percent (20%) of the installation and equipment costs of the solar equipment. The credit allowed under this section may not exceed eight thousand dollars (\$8,000) for any single installation. This credit shall not be allowed to the extent that any of the costs of the system were provided by federal, State, or local grants. To secure the credit allowed by this section, the taxpayer must own or control the business at the time the solar equipment is installed. The credit allowed by this section may not exceed the amount of the tax imposed by this Division for the taxable year reduced by the sum of all credits allowable under this Division, except payment of tax made by or on behalf of the taxpayer. In no case shall a tax credit be allowed both under the provisions of this section and G.S. 105- 151.2.

(b) In the case of property owned by the entirety, where both spouses are required to file North Carolina income tax returns, each spouse may claim one half of the credit allowed by this section or one spouse may claim the entire credit allowed by this section by agreement with the other spouse, provided both spouses were living together at the end of the taxable year and file their separate returns for the taxable year on the combined form. Where only one spouse is required to file a North Carolina income tax return, such spouse may claim the credit allowed by this section.

(c) As used in this section, 'solar equipment' means equipment and materials designed to collect, store, transport, or control energy derived directly from the sun."

Sec. 2. This act shall become effective for the tax years beginning on and after January 1, 1984. Nothing herein shall be construed to limit or repeal the existing G.S. 105-151.8 as it applies to tax years previous to January 1, 1984.

In the General Assembly read three times and ratified, this the 6th day of July, 1984.