

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

S

1

SENATE BILL 505

Short Title: Income Tax Credit - Energy Efficient Homes. (Public)

Sponsors: Senators Swindell; Albertson, Apodaca, Atwater, Brock, Brown, Garrou,
Goodall, Jones, Preston, Rand, and Shaw.

Referred to: Finance.

March 6, 2007

1 A BILL TO BE ENTITLED
2 AN ACT TO PROVIDE AN INCOME TAX CREDIT FOR BUILDERS OF
3 ENERGY-EFFICIENT HOMES.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** Part 1 of Article 4 of Chapter 105 of the General Statutes is
6 amended by adding a new section to read:

7 "**§ 105-130.49. Construction or improvement of energy-efficient home.**

8 (a) Definitions. – The following definitions apply in this section:

9 (1) Energy-efficient home. – A single- or multi-family home that is a
10 federally qualified energy-efficient home or a State-certified
11 energy-efficient home.

12 (2) Federally qualified energy-efficient home. – A residence qualified
13 under the ENERGY STAR Program administered by the United States
14 Environmental Protection Agency.

15 (3) State-certified energy-efficient home. – A residence certified under the
16 NC Healthy Built Homes Program administered by the North Carolina
17 Solar Center, the State Energy Office, and the North Carolina
18 Department of Administration.

19 (b) Credit. – A taxpayer that builds or manufactures an energy-efficient home is
20 allowed a credit against the taxes imposed by this Part. In order to claim a credit under
21 this section, the taxpayer must include with the tax return documentation that the
22 property with respect to which a credit is claimed is an energy-efficient home. A
23 taxpayer may claim only one of the credits allowed under this section with respect to a
24 single home. The amount of the credit is as follows:

25 (1) For a taxpayer that builds or manufactures a new federally qualified
26 energy-efficient home, the credit is one thousand dollars (\$1,000).

27 (2) For a taxpayer that builds or manufactures a new State-certified
28 energy-efficient home, the credit is two thousand dollars (\$2,000).

1 (c) Cap. – The credit allowed under this section may not exceed the amount of
2 tax imposed by this Part for the taxable year reduced by the sum of all credits allowable,
3 except tax payments made by or on behalf of the taxpayer. Any unused portion of a
4 credit under this section may be carried forward for the succeeding five years.

5 (d) Sunset. – This section is repealed effective for taxable years beginning on or
6 after January 1, 2012."

7 **SECTION 2.** Part 2 of Article 4 of Chapter 105 of the General Statutes is
8 amended by adding a new section to read:

9 **"§ 105-151.31. Construction or improvement of energy-efficient home.**

10 (a) Definitions. – The following definitions apply in this section:

11 (1) Energy-efficient home. – A single- or multi-family home that is a
12 federally qualified energy-efficient home or a State-certified
13 energy-efficient home.

14 (2) Federally qualified energy-efficient home. – A residence qualified
15 under the ENERGY STAR Program administered by the United States
16 Environmental Protection Agency.

17 (3) State-certified energy-efficient home. – A residence certified under the
18 NC Healthy Built Homes Program administered by the North Carolina
19 Solar Center, the State Energy Office, and the North Carolina
20 Department of Administration.

21 (b) Credit. – A taxpayer that builds or manufactures an energy-efficient home is
22 allowed a credit against the taxes imposed by this Part. In order to claim a credit under
23 this section, the taxpayer must include with the tax return documentation that the
24 property with respect to which a credit is claimed is an energy-efficient home. A
25 taxpayer may claim only one of the credits allowed under this section with respect to a
26 single home. The amount of the credit is as follows:

27 (1) For a taxpayer that builds or manufactures a new federally qualified
28 energy-efficient home, the credit is one thousand dollars (\$1,000).

29 (2) For a taxpayer that builds or manufactures a new State-certified
30 energy-efficient home, the credit is two thousand dollars (\$2,000).

31 (c) Cap. – The credit allowed under this section may not exceed the amount of
32 tax imposed by this Part for the taxable year reduced by the sum of all credits allowable,
33 except tax payments made by or on behalf of the taxpayer. Any unused portion of a
34 credit under this section may be carried forward for the succeeding five years.

35 (d) Sunset. – This section is repealed effective for taxable years beginning on or
36 after January 1, 2012."

37 **SECTION 3.** This act is effective for taxable years beginning on or after
38 January 1, 2007, and applies to homes that receive the qualification or certification on or
39 after that date.