

May 25, 2010

H 2008. MODIFY RENEWABLE ENERGY PROPERTY CREDIT. Filed 5/25/10. *TO MODIFY THE CREDIT FOR INVESTING IN RENEWABLE ENERGY PROPERTY.*

Amends GS 105-129.16A to broaden the tax credit for renewable energy property by allowing a pass-through entity to allocate the credit among any of its owners, provided that the owner's adjusted basis in the pass-through entity is at least 40% of the amount of the credit allocated to that owner. Sets out graduated forfeiture provisions applicable to owners who qualify for the credit but then dispose of all or a portion of their interest in the pass-through entity within five years from the date the renewable energy property was placed in service, with exceptions to the forfeiture requirement for changes in ownership resulting from an owner's death or from certain approved mergers or consolidations. Provides that taxpayers who forfeit the credit are liable for all past taxes avoided as a result of the credit, plus interest, due 30 days after the date of the forfeiture. Effective for taxable years beginning on or after January 1, 2010, and applicable to renewable energy property placed into service on or after that date, with a sunset provision repealing the law effective for property placed into service on or after January 1, 2016.

Intro. by Harrison.

GS 105