
A BILL FOR AN ACT

RELATING TO TAXATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Chapter 235, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:

4 "§235- Residential backup generator tax credit. (a)

5 There shall be allowed to each individual taxpayer subject to
6 the taxes imposed by this chapter, a residential backup
7 generator tax credit that shall be deductible from the
8 taxpayer's net income tax liability, if any, imposed by this
9 chapter for the taxable year in which the credit is properly
10 claimed.

11 The amount of the credit shall be equal to twenty-five per
12 cent of the actual cost of a new residential backup generator;
13 provided that:

14 (1) The credit may be claimed only once per taxpayer; and

15 (2) The credit shall not include:

16 (A) The costs of installation or prefatory work
17 required for installation of the generator; or



1 (B) Any costs for which another credit is claimed
2 under this chapter.

3 The maximum allowable tax credit for a taxpayer shall be
4 \$ _____.

5 (b) For the purposes of this section:

6 "Net income tax liability" means net income tax liability
7 reduced by all other credits allowed under this chapter.

8 "Residential backup generator" means an electrical
9 generator purchased by a taxpayer and operated for the purpose
10 of providing power to the residence of the taxpayer when the
11 utility from whom the taxpayer would otherwise purchase power is
12 unable to provide it.

13 (c) The director of taxation shall prepare any forms that
14 may be necessary to claim a tax credit under this section. The
15 director may also require the taxpayer to furnish reasonable
16 information to ascertain the validity of the claim for credit
17 made under this section and may adopt rules necessary to
18 effectuate the purposes of this section pursuant to chapter 91.

19 (d) If the tax credit under this section exceeds the
20 taxpayer's income tax liability, the excess of the credit over
21 liability may be used as a credit against the taxpayer's income



1 tax liability in subsequent years until exhausted. All claims
2 for the tax credit under this section, including amended claims,
3 shall be filed on or before the end of the twelfth month
4 following the close of the taxable year for which the credit may
5 be claimed. Failure to comply with this subsection shall
6 constitute a waiver of the right to claim the credit."

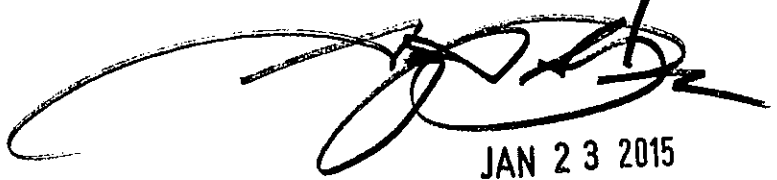
7 SECTION 2. New statutory material is underscored.

8 SECTION 3. This Act, upon its approval, shall apply to
9 taxable years beginning after December 31, 2014.

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INTRODUCED BY:

Calvin H. By



JAN 23 2015



H.B. NO. 657

Report Title:

Residential Backup Generator Tax Credit

Description:

Establishes a nonrefundable income tax credit for taxpayers who purchase residential backup generators.

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