

2015 Regular Session

HOUSE BILL NO. 770

BY REPRESENTATIVE STOKES

TAX CREDITS: Provides for the carry forward rather than the refund of a certain portion of the tax credit for solar energy systems

1 AN ACT

2 To amend and reenact R.S. 47:6030(F), relative to income tax credits; to provide with  
3 respect to the tax credit for solar energy systems; to provide with respect to  
4 authorization for issuance of refunds for tax credits which exceed taxpayer tax  
5 liability; to provide for certain limitations; to provide for effectiveness; and to  
6 provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 47:6030(F) is hereby amended and reenacted to read as follows:

9 §6030. Solar energy systems tax credit

10 \* \* \*

11 F. Notwithstanding any other provision of law to the contrary, any excess of  
12 allowable credit over the aggregate tax liabilities against which such credit may be  
13 applied, as provided in this Section, shall constitute an overpayment, as defined in  
14 R.S. 47:1621(A), and the secretary shall make a refund of fifty percent of such  
15 overpayment from the current collections of the taxes imposed by Chapter 1, Chapter  
16 2, Chapter 2-A, Chapter 2-B, or Chapter 5 of Subtitle II of this Title, together with  
17 interest as provided in R.S. 47:1624. The right to a credit or refund of any such  
18 overpayment shall not be subject to the requirements of R.S. 47:1621(B). The  
19 remainder of the unused credit may be carried forward as a credit against subsequent  
20 income tax. All credits and refunds, together with interest thereof, must be paid or

1 disallowed within one year of receipt by the secretary of any such claim for refund  
2 or credit. Failure of the secretary to pay or disallow, in whole or in part, any claim  
3 for a credit or a refund shall entitle the aggrieved taxpayer to proceed with the  
4 remedies provided in R.S. 47:1625.

5 \* \* \*

6 Section 2. The provisions of this Act shall be applicable to tax years beginning on  
7 or after January 1, 2015.

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DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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HB 770 Original                                      2015 Regular Session                                      Stokes

**Abstract:** Changes the tax credit for the cost of purchase and installation of certain solar energy systems from a refundable credit to a credit in which 50% of the amount of the credit above the liability is refundable and 50% may be carried forward and applied against subsequent tax liability.

Present law provides for an income tax credit for the cost of purchase and installation of a solar electric system or a solar thermal system at a single-family residence in this state. The credit is allowed for newly constructed homes with a system already installed or for a system purchased and installed at an existing home.

Present law provides that the amount of the credit for a system purchased and installed at a newly constructed or existing home shall be equal to 50% of the first \$25,000 of the cost of a system purchased and installed on or after Jan. 1, 2008, but before Jan. 1, 2018. The amount of the credit for leased systems ranges from 50% to 38% of the first \$25,000 of the cost of purchase of the system depending on the date the system is installed.

Present law provides that the taxpayer is entitled to a refund for any allowable credit which exceeds the aggregate tax liability of the taxpayer. Further requires the Dept. of Revenue to refund the excess tax credit amount to the taxpayer from current tax collections and to pay or disallow claims for credits, refunds, and interest within one year of receiving a tax credit or refund claim.

Proposed law changes the tax credit from a refundable credit to one in which 50% of the credit amounts which exceed taxpayer liability are refundable and 50% may be carried forward and applied against subsequent tax liability.

Present law prohibits credits from being issued for systems installed after Dec. 31, 2017.

Proposed law retains present law.

Applicable to tax years beginning on or after Jan. 1, 2015.

(Amends R.S. 47:6030(F))