

New law creates the crime of solar tax credit fraud making it unlawful for any person who has received money from a contract for the sale, installation, maintenance, or repair of a solar electric system or solar thermal system, as defined in prior law, to claim a tax credit provided by prior law against taxes owed to the state if the person:

- (1) Fails to perform or complete the installation of the system or fails to maintain or repair the system under the terms of the contract.
- (2) Fails to maintain or repair the system under the terms of the contract subsequent to claiming the tax credit.

Provides the following penalties for violations:

- (1) When the aggregate amount of the tax credit claimed is \$1,000 or less, the person is to be fined not less than \$100 nor more than \$500, or imprisoned for not more than six months.
- (2) When the aggregate amount of the tax credit claimed is greater than \$1,000, the person is to be fined not less than \$100 nor more than \$500, or imprisoned, with or without hard labor, for not less than 90 days nor more than six months, or both, for each \$1,000 of the tax credit claimed, provided that the aggregate imprisonment cannot exceed five years.

Provides that the knowing material failure by a contractor to perform or complete the installation of a solar electric or solar thermal system or maintain or repair the system under the terms of the applicable contract shall constitute the crime of solar installation fraud.

Provides that whoever commits the crime of solar installation fraud shall be subject to penalty provisions provided in the prior law crime of home improvement fraud.

Requires the district attorney to notify the Dept. of Revenue (DOR) in writing of any prosecution under new law.

New law is not to be construed to prevent the state, through the attorney general, from asserting a cause of action to recover damages or penalties, or assess or collect a penalty, resulting from a violation of new law.

Remedies and rights provided are in addition to and do not preclude any remedy otherwise available under law.

Provides that any person who is found liable under a civil action brought by the attorney general resulting from a violation of new law is liable to the attorney general for all costs, expenses and fees related to investigations and proceedings associated with the violation, including attorney fees. New law further provides that an action to recover costs, expenses, fees, and attorney fees is ancillary to, and is to be brought and heard in the same court as, the civil action resulting from a violation of new law.

Provides that the attorney general may examine, or cause to be examined, by agents thereof, without notice, the conditions and affairs of any person who has received money from a contract for the sale, installation, maintenance, or repair of a solar electric system or solar thermal system and who has claimed a tax credit.

Provides that in connection with an examination authorized by new law, the attorney general, or his agents, may examine under oath any person concerning the affairs and business of the person who has received money from a contract for the sale, installation, maintenance, or repair of a solar electric system or solar thermal system and who has claimed a tax credit.

States that the provisions of new law shall be applicable to entities engaging in the business of selling, leasing, installing, servicing, or monitoring solar energy equipment.

New law is not to be construed to impose civil or criminal liability on homeowners or on any third party whose involvement is limited to providing financing to the homeowner or financing for installation. New law states that entities engaged in the business of arranging

for the lease or sale of solar energy systems or acquiring customers for financing entities shall not be exempt from the provisions of new law.

Prior law provided that except as otherwise provided by law, the records and files of the secretary of DOR are confidential and privileged.

New law amends prior law to provide an exception to the confidentiality of such records and authorizes the secretary of DOR to disclose certain information to the office of the attorney general in order to implement the provisions of new law.

Effective upon signature of the governor (June 18, 2014).

(Adds R.S. 14:202.2 and R.S. 47:1508(B)(35))