

Senate File 503 - Introduced

SENATE FILE 503

BY HOGG

A BILL FOR

1 An Act providing an additional renewable energy tax credit.

2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 476C.2, Code 2011, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 1A. In addition to the energy tax credits
4 provided pursuant to subsection 1, a producer or purchaser of
5 renewable energy may receive additional renewable energy tax
6 credits in amounts and pursuant to a timetable as follows:

7 a. A one cent per kilowatt-hour production tax credit for
8 up to four hundred megawatts of electricity for wind energy
9 conversion facilities installed on or before December 31, 2014,
10 and for up to one hundred megawatts of additional capacity
11 installed each year beginning January 1, 2015, through December
12 31, 2020.

13 b. (1) A one and one-half cent per kilowatt-hour production
14 tax credit for up to two hundred fifty megawatts of electricity
15 generated by a biomass conversion facility, a solar energy
16 conversion facility, or a refuse conversion facility installed
17 on or before December 31, 2015, and for up to fifty megawatts
18 of additional capacity installed each year beginning January 1,
19 2016, through December 31, 2020.

20 (2) A four dollar and fifty cent per million British thermal
21 unit tax credit for the energy production capacity equivalent
22 of two hundred fifty megawatts of methane gas or other biogas
23 used to generate electricity and installed on or before
24 December 31, 2015, and for up to the energy production capacity
25 equivalent of fifty megawatts of additional capacity installed
26 each year beginning January 1, 2016, through December 31, 2020.

27 (3) For a producer or purchaser of renewable energy
28 specified in subparagraphs (1) or (2), a twenty-five percent
29 tax credit for the reasonable costs of construction of an
30 eligible renewable energy facility, as determined by the board
31 by rule.

32

EXPLANATION

33 This bill increases tax credits available to renewable
34 energy producers or purchasers pursuant to Code chapter 476C.

35 The bill provides for an additional one cent per

1 kilowatt-hour production tax credit for up to 400 megawatts of
2 electricity for wind energy conversion facilities installed on
3 or before December 31, 2014, and for up to 100 megawatts of
4 additional capacity installed each year beginning January 1,
5 2015, and ending December 31, 2020. The bill also provides for
6 a one and one-half cent per kilowatt-hour production tax credit
7 for up to 250 megawatts of electricity generated by a biomass
8 conversion facility, a solar energy conversion facility, or
9 a refuse conversion facility installed on or before December
10 31, 2015, and for up to 50 megawatts of additional capacity
11 installed each year beginning January 1, 2016, through December
12 31, 2020.

13 The bill additionally provides for a \$4.50 per million
14 British thermal unit tax credit for up to the energy production
15 capacity equivalent of 250 megawatts of methane gas or other
16 biogas used to generate electricity installed on or before
17 December 31, 2015, and for up to the energy production capacity
18 equivalent of 50 megawatts of additional capacity installed
19 each year beginning January 1, 2016, through December 31, 2020.

20 The bill further provides that a producer or purchaser of
21 renewable energy may receive a 25 percent tax credit for the
22 reasonable costs of construction of an eligible renewable
23 energy facility, as determined by the Iowa utilities board by
24 rule.