

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

SESSION LAW 2015-11
SENATE BILL 372

AN ACT TO PROVIDE A SAFE HARBOR FOR RENEWABLE ENERGY PROJECTS THAT ARE SUBSTANTIALLY COMPLETED BY JANUARY 1, 2016, BY EXTENDING THE TAX CREDIT FOR RENEWABLE ENERGY PROPERTY ONE YEAR FOR THOSE PROJECTS.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 105-129.16A reads as rewritten:

"§ 105-129.16A. **Credit for investing in renewable energy property.**

...
(e) Sunset. – ~~This~~ Except for taxpayers covered by subsection (f) of this section, this section is repealed effective for renewable energy property placed into service on or after January 1, 2016.

(f) Delayed Sunset. – This section is repealed effective for renewable energy property placed in service on or after January 1, 2017.

A taxpayer is eligible for the delayed sunset provided by this subsection if the taxpayer makes a timely application for the extension, pays the application fee, and meets both of the following conditions on or before January 1, 2016: (i) incurred at least the minimum percentage of costs of the project and (ii) completed at least the minimum percentage of the physical construction of the project. For a project with a total size of less than 65 megawatts of direct current capacity, the minimum percentage of incurred costs and partial construction is at least eighty percent (80%). For a project with a total size of 65 megawatts or more of direct current capacity, the minimum percentage of incurred costs and partial construction is at least fifty percent (50%).

An application and payment must be filed with the Secretary on or before October 1, 2015. The application must include the location of the project, an estimate of the total cost of the project, the total anticipated credit to be claimed, and the total size in megawatt capacity of each project proposed or under construction. The nonrefundable fee to be paid with the application is one thousand dollars (\$1,000) per megawatt of capacity, with a minimum fee of five thousand dollars (\$5,000).

A taxpayer must provide the documentation required under this subsection to the Department on or before March 1, 2016, to verify that the taxpayer meets the minimum percentage of incurred costs and partial construction required to be eligible for the sunset extension:

- (1) A written certification signed by the taxpayer that, prior to January 1, 2016, at least the minimum percentage of the physical construction of the project was completed and that at least the minimum percentage of the total cost of the project was incurred.
- (2) A notarized copy of a written report prepared by an independent engineer duly licensed in the State of North Carolina with expertise in the design and construction of installations of renewable energy property stating that at least the minimum percentage of the project was constructed and installed prior to January 1, 2016.
- (3) A notarized copy of a written report prepared by a certified public accountant duly licensed to practice in the State of North Carolina with expertise in accounting for and taxation of renewable energy property and that was prepared in accordance with AT Section 201 of the American Institute of Certified Public Accountants Standards for Agreed-Upon



Procedures Engagements stating that the minimum percentage of the total cost of the project was paid or incurred as determined under Section 461 and other relevant sections of the Code prior to January 1, 2016."

SECTION 2. This act is effective when it becomes law.

In the General Assembly read three times and ratified this the 22nd day of April, 2015.

s/ Daniel J. Forest
President of the Senate

s/ Tim Moore
Speaker of the House of Representatives

s/ Pat McCrory
Governor

Approved 10:58 a.m. this 30th day of April, 2015