

2015 LOUISIANA LEGISLATIVE SESSION HIGHLIGHTS

by
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Bills of interest to the Louisiana State Energy Office were passed during the 2015 Louisiana Legislative Session. Following is summary information; the details of the bills are available on the legislature's website, <http://www.legis.la.gov/legis/home.aspx>.

ACT 131 - Solar Energy Tax Credits

ACT 131 reduces the maximum value of the credit and changes the requirements for system eligibility and claiming the credit.

Purchased System

For a system purchased and installed on or after January 1, 2008, and before July 1, 2015, the amount of the credit shall be equal to fifty percent of the first twenty-five thousand dollars of the cost of the system.

For a system purchased and installed on or after July 1, 2015, and before January 1, 2018, the tax credit shall be equal to the least of:

- (i) Two dollars multiplied by the total size of the system as measured in DC watts.
- (ii) Fifty percent of the cost of purchase and installation.
- (iii) Ten thousand dollars.

There shall be no tax credits authorized, issued, or granted on or after January 1, 2018.

For tax credits claimed on returns filed on or after July 1, 2015, and before July 1, 2016, no more than ten million dollars of tax credits shall be granted.

For tax credits claimed on returns filed on or after July 1, 2016, and before July 1, 2017, no more than ten million dollars of tax credits shall be granted.

For tax credits claimed on a return filed on or after July 1, 2017, no more than five million dollars of tax credits shall be granted.

The granting of credits shall be on a first-come, first-served basis.

Leased System

The tax credit shall be equal to fifty percent of the first twenty-five thousand dollars of the cost of purchase for a system installed before January 1, 2014. For a system installed

on or after January 1, 2014, and before January 1, 2018, the tax credit shall be equal to thirty-eight percent of the first twenty thousand dollars of the cost of purchase.

There shall be no tax credits authorized, issued, or granted on or after December 31, 2017.

The maximum amount of tax credits, which may be granted for credits not granted prior to June 1, 2015, during Fiscal Year 2014-2015, shall be nineteen million dollars.

For tax credits claimed on returns filed on or after July 1, 2015, and before July 1, 2016, no more than ten million dollars of tax credits shall be granted.

For tax credits claimed on returns filed on or after July 1, 2016, and before July 1, 2017, no more than ten million dollars of tax credits shall be granted.

For tax credits claimed on returns filed on or after July 1, 2017, no more than five million dollars of tax credits shall be granted.

The granting of credits shall be on a first-come, first-served basis.

The cost of the system and installation shall not be financed by the Solar Installer or an Installer Affiliate.

Note also that the solar energy systems tax credit is one of the credits that ACT 357 is requiring to be reviewed and reported on.

- Solar energy systems tax credit

Commencing no later than January 31, 2016, the House Committee on Ways and Means and the Senate Committee on Revenue and Fiscal Affairs shall review the credit authorized pursuant to the provisions of this Section to determine if the economic benefit provided by such credit outweighs the loss of revenue realized by the state as a result of awarding such credit. The House and Senate committees shall make a specific recommendation no later than March 1, 2017, either to continue the credit or to terminate the credit.

ACT 147 – Special Fuels Tax

ACT 147 provides for equivalency of the special fuels tax with the gasoline tax on motor vehicles that operate on the highways using liquefied natural gas, liquefied petroleum gas, or compressed natural gas.

Beginning July 1, 2015, the tax will no longer be collected pursuant to a decal program or on an annual basis. The dealer of the fuel shall add the amount of the tax to the selling price of the fuel so that the tax is paid by the ultimate consumer or purchaser of the fuel. The amount of the tax shall become part of the sales price of the fuel.