

2006 SESSION

INTRODUCED

067342440

HOUSE BILL NO. 613

Offered January 11, 2006

Prefiled January 10, 2006

A BILL to amend the Code of Virginia by adding in Article 3 of Chapter 3 of Title 58.1 a section numbered 58.1-339.11, relating to energy efficiency tax credit.

Patron—O'Bannon

Referred to Committee on Finance

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding in Article 3 of Chapter 3 of Title 58.1 a section numbered 58.1-339.11, as follows:

§ 58.1-339.11. Energy efficiency tax credit.

A. For taxable years beginning on or after January 1, 2006, any taxpayer shall be allowed a credit against the tax imposed by §§ 58.1-320 in an amount equaling 25% of expenditures made after January 1, 2006, for energy efficient equipment, as defined herein, for his residence. Only one such credit shall be permitted for each such expenditure.

B. For purposes of this section, "energy efficient equipment" means equipment installed in a residence that uses solar or geothermal energy, or any form of renewable energy approved by the Secretary of Natural Resources through regulations that is a substitute for traditional energy for water heating, active space heating and cooling, passive heating, and generating electricity. The term also includes related devices necessary for collecting, storing, exchanging, conditioning, or converting solar energy to other useful forms of energy.

C. The amount of the credit shall not exceed \$1,500 for any solar energy equipment expenditure or the tax imposed by this chapter, whichever is less. In determining such expenditures, the labor of the taxpayer shall not be included. If the allowable credit exceeds the tax imposed by this chapter for the taxable year, such excess may be carried over for the next five taxable years by the taxpayer.

INTRODUCED

HB613