

OFFICE OF FISCAL AND PROGRAM REVIEW

Date: April 1, 2013

To: Members, Joint Standing Committee on Taxation

From: Elizabeth Cooper, Legislative Analyst

LD 693, An Act To Provide Solar Energy Tax Credits to Maine Homeowners

Summary: This bill provides an income tax credit for installations of qualifying solar energy systems. The credits are \$1,000 for installations of qualifying solar energy systems on residential property and \$2,000 for installations of qualifying solar energy systems on commercial property. Installation must be certified by the Efficiency Maine Trust.

Public Hearing:

Proponents

- The sponsor presented the bill and provided written testimony.
- *Major points:* Maine has incentives and rebates for renewable energy, but no tax credit.

Opposed - none

NFNA

- A representative of Bangor Hydro Electric Company and Efficiency Maine testified “neither for nor against” the bill.
- *Information provided:* Bangor Hydro Electric Company suggested including incentives for efficient electric heat pumps; Efficiency Maine suggested that the bill is overly complex- standards should be in rule, not statute; certification requirements go beyond what other states require; concerned about certification role for Efficiency Maine.

Technical Issues: Should the Committee choose to move forward with the bill, a number of technical drafting issues should be addressed including the need for definitions, clarification of amount of credit (the cost of installation up to \$1,000), need for an application date and more.

Similar Bills: 124th, LD 1082 – Public Utilities Commission in role of certifier.

Fiscal Information: The preliminary fiscal impact statement was not available at the time this analysis was finalized. The most current fiscal information can be found online at: www.mainelegislature.org/LawMakerWeb/search.asp.