

LEGISLATURE OF NEBRASKA

ONE HUNDRED FIRST LEGISLATURE

SECOND SESSION

**LEGISLATIVE BILL 704**

Introduced by Haar, 21; Stuthman, 22.

Read first time January 06, 2010

Committee: Revenue

A BILL

1 FOR AN ACT relating to revenue and taxation; to amend section  
2 77-27,235, Reissue Revised Statutes of Nebraska; to  
3 change a renewable energy tax credit; to provide an  
4 operative date; and to repeal the original section.

5 Be it enacted by the people of the State of Nebraska,

1           Section 1. Section 77-27,235, Reissue Revised Statutes of  
2 Nebraska, is amended to read:

3           77-27,235 (1) Any producer of electricity generated by  
4 a new ~~zero-emission~~ renewable electric generation facility shall  
5 earn a renewable energy tax credit. For electricity generated on  
6 or after July 14, 2006, and before October 1, 2007, the credit  
7 shall be .075 cent for each kilowatt-hour of electricity generated  
8 by a new ~~zero-emission~~ renewable electric generation facility. For  
9 electricity generated on or after October 1, 2007, and before  
10 January 1, 2010, the credit shall be .1 cent for each kilowatt-hour  
11 of electricity generated by a new ~~zero-emission~~ renewable electric  
12 generation facility. For electricity generated on or after January  
13 1, 2010, and before January 1, 2013, the credit shall be .075 cent  
14 per kilowatt-hour for electricity generated by a new ~~zero-emission~~  
15 renewable electric generation facility. For electricity generated  
16 on or after January 1, 2013, and before January 1, 2018, the credit  
17 shall be .05 cent per kilowatt-hour for electricity generated by  
18 a new ~~zero-emission~~ renewable electric generation facility. The  
19 credit may be earned for production of electricity for ten years  
20 after the date that the facility is placed in operation on or after  
21 July 14, 2006.

22           (2) For purposes of this section:

23           (a) Electricity generated by a new ~~zero-emission~~  
24 renewable electric generation facility means electricity that is  
25 exclusively produced by a new ~~zero-emission~~ renewable electric

1 generation facility;

2 (b) Eligible renewable resources means wind, moving  
3 water, solar, geothermal, fuel cell, methane gas, or photovoltaic  
4 technology; and

5 (c) New ~~zero-emission~~ renewable electric generation  
6 facility means an electrical generating facility located in this  
7 state that is first placed into service on or after July 14, 2006,  
8 which utilizes eligible renewable resources as its fuel source, ~~and~~  
9 ~~for which the operation of the facility results in no pollution~~  
10 ~~or emissions that are or may be harmful to the environment as~~  
11 ~~certified by the Department of Environmental Quality.~~

12 (3) The credit allowed under this section may be used to  
13 reduce the producer's Nebraska income tax liability or to obtain  
14 a refund of state sales and use taxes paid by the producer of  
15 electricity generated by a ~~zero-emission~~ new renewable electric  
16 generation facility. A claim to use the credit for refund of the  
17 state sales and use taxes paid, either directly or indirectly,  
18 by the producer may be filed quarterly for electricity generated  
19 during the previous quarter by the twentieth day of the month  
20 following the end of the calendar quarter. The credit may be  
21 used to obtain a refund of state sales and use taxes paid during  
22 the quarter immediately preceding the quarter in which the claim  
23 for refund is made, except that the amount refunded under this  
24 subsection shall not exceed the amount of the state sales and use  
25 taxes paid during the quarter.

1           (4) The Department of Revenue may adopt and promulgate  
2 rules and regulations to permit verification of the validity and  
3 timeliness of any renewable energy tax credit claimed.

4           ~~(5) The Environmental Quality Council may adopt and~~  
5 ~~promulgate rules and regulations to certify that the operation of~~  
6 ~~a new zero-emission facility results in no pollution or emissions~~  
7 ~~that are or may be harmful to the environment.~~

8           ~~(6) (5)~~ The total amount of renewable energy tax credits  
9 that may be used by all taxpayers shall be limited to seven  
10 hundred fifty thousand dollars without further authorization from  
11 the Legislature.

12           ~~(7) (6)~~ The credit allowed under this section may not  
13 be claimed by a producer who received a sales tax exemption under  
14 section 77-2704.57 for the new ~~zero-emission~~ renewable electric  
15 generation facility.

16           Sec. 2. This act becomes operative on October 1, 2010.

17           Sec. 3. Original section 77-27,235, Reissue Revised  
18 Statutes of Nebraska, is repealed.