

# One Hundred Fourth Legislature - Second Session - 2016

## Introducer's Statement of Intent

### LB1085

---

**Chairperson: Senator Mike Gloor**

**Committee: Revenue**

**Date of Hearing: February 25, 2016**

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

The intent of LB1085 is to enhance the state-level production tax credit for renewable electric generation facilities placed into operation on or after the date the act becomes operative in counties with populations under 7,000. The credit would be calculated under one of two methods:

- a a sliding scale tax credit of 1 cent for the first two years down to 0.6 cents tax for the last two years per each kilowatt-hour of electricity generated by a renewable electric generation facility that qualifies as a community-based energy development project that begins commercial operation on or after the effective date of this act; or
- a one-time credit equal to 30 percent of the total cost of construction of any renewable electric generation facility that begins commercial operation on or after the effective date of this act. This credit shall not exceed \$2 million.

The producer earning the credit would select which of the methods to calculate the tax under and would have to notify the Department of Revenue of its selection.

Transferability of credits is limited to credits earned by facilities of twenty megawatts or less, and must be reported to the Department of Revenue within 15 days of the transfer.

**Principal Introducer:** \_\_\_\_\_

Senator Al Davis