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An Act To Provide a Tax Credit for the Purchase of Small Wind Power Generators

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 36 MRSA §5219-DD is enacted to read:

§ 5219-DD. Small wind power generator credit

1. Small wind power generator defined. "Small wind power generator" means an electricity-generating installation at any one site in this State that includes a turbine of not more than 10 kilowatts that is powered entirely by wind energy and intended to serve the electricity needs of a household or small business.

2. Credit allowed. For tax years beginning on or after January 1, 2011, a taxpayer is allowed a credit against the tax that would otherwise be due under this Part for the purchase and installation after January 1, 2008 of a small wind power generator. The credit is equal to 30% of the cost of purchasing and installing a small wind power generator but may not exceed \$1,500. A taxpayer entitled to a credit that exceeds the taxpayer's total tax due for the tax year in which the credit is earned may not carry over the excess amount. A taxpayer may not claim a credit under this section for the purchase and installation of more than one small wind power generator. The credit allowed under this section may not reduce the tax otherwise due under this Part to less than zero.

3. Qualification. A taxpayer claiming a credit under this section shall certify, in a manner determined by the bureau, that the small wind power generator qualifies for the credit under this section and provide proof of the cost of purchase and installation of the small wind power generator.

4. Limitation. A taxpayer claiming a credit under former section 5219-AA or section 5219-CC may not also claim a credit under this section for the same small wind power generator.

Sec. 2. Application. This Act applies to small wind power generators, as defined in the Maine Revised Statutes, Title 36, section 5219-DD, subsection 1, purchased and installed after January 1, 2008 except that the credit allowed under Title 36, section 5219-DD, subsection 2 may not be claimed before tax years beginning on or after January 1, 2011.

SUMMARY

This bill provides an income tax credit for the cost of purchasing and installing a small wind power generator intended to provide electricity to a household or small business. The credit is a one-time credit of up to \$1,500 and applies to small wind power generators purchased and installed on or after January 1, 2008; however, the credit may not be taken until tax years beginning on or after January 1, 2011.