FIRST REGULAR SESSION

HOUSE BILL NO. 35

95TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES SATER (Sponsor), WETER, WILSON (119), WRIGHT, JONES (89) AND KOMO (Co-sponsors).

0224L.01I D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To amend chapter 143, RSMo, by adding thereto one new section relating to an income tax deduction for alternative energy sources.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Chapter 143, RSMo, is amended by adding thereto one new section, to be known as section 143.112, to read as follows:

143.112. 1. As used in this section, the following terms mean:

(1) "Deduction", an amount subtracted from the taxpayer's Missouri adjusted gross income to determine Missouri taxable income under section 143.121 for the tax year in which such deduction is claimed;

(2) "Qualified fuel cell property", a fuel cell power plant that:

(a) Has a nameplate capacity of at least one-half of one kilowatt of electricity using an electrochemical process;

(b) Has an electricity-only generation efficiency greater than thirty percent; and

(c) Is installed on or in connection with a dwelling unit located in the United States and used as a principal residence by the taxpayer;

(3) "Qualified photovoltaic property", any property that uses solar energy to generate electricity for use in a dwelling unit located in this state and used as a residence by the taxpayer;

(4) "Taxpayer", any individual subject to the income tax imposed in this chapter.

2. In addition to all deductions listed in section 143.111, for all taxable years beginning on or after January 1, 2010, a taxpayer shall be allowed a deduction for the

EXPLANATION — Matter enclosed in bold-faced brackets **[**thus**]** in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

purchase price of any qualified fuel cell property or any qualified photovoltaic property. The deduction amount shall be equal to the lesser of:

(1) Fifty percent of the purchase price of any qualified fuel cell property or one thousand dollars;

(2) Fifty percent of the purchase price of any qualified photovoltaic property or four thousand dollars.

3. The department of revenue shall establish the procedure by which the deduction provided in this section may be claimed, and may promulgate rules to implement the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010, RSMo, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536, RSMo, to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2009, shall be invalid and void.

4. Under section 23.253, RSMo, of the Missouri Sunset Act:

(1) The provisions of the new program authorized under this section shall automatically sunset on December thirty-first six years after the effective date of this section unless reauthorized by an act of the general assembly; and

(2) If such program is reauthorized, the program authorized under this section shall automatically sunset on December thirty-first twelve years after the effective date of the reauthorization of this section; and

(3) This section shall terminate on September first of the calendar year immediately following the calendar year in which the program authorized under this section is sunset.

✓