

FIRST REGULAR SESSION

HOUSE BILL NO. 641

95TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES HOLSMAN (Sponsor), ROORDA, ATKINS, COLONA, FLOOK,
ENGLUND, TALBOY, LOW, SCHOELLER, WALTON GRAY, OXFORD,
FISCHER (107) AND GRILL (Co-sponsors).

0671L.011

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
2 known as section 143.112, to read as follows:

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

- 2 (1) "Deduction", an amount subtracted from the taxpayer's Missouri adjusted
3 gross income to determine Missouri taxable income for the tax year in which such
4 deduction is claimed;
- 5 (2) "Qualified fuel cell property", a fuel cell power plant that:
6 (a) Has a nameplate capacity of at least one-half of one kilowatt of electricity using
7 an electrochemical process;
- 8 (b) Has an electricity-only generation efficiency greater than thirty percent; and
9 (c) Is installed on or in connection with a dwelling unit located in the United States
10 and used as a principal residence by the taxpayer;
- 11 (3) "Qualified geothermal heat pump", any:
12 (a) Closed loop geothermal heat pump that has an energy efficient rating of at least
13 14.1 and a heating coefficient of performance of at least 3.3;
- 14 (b) Open loop geothermal heat pump that has an energy efficient rating of at least
15 16.2 and a heating coefficient of performance of at least 3.6;

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.

16 (c) Direct expansion geothermal heat pump that has an energy efficient rating of
17 at least 15 and a heating coefficient of performance of at least 3.5;

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

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

22 2. In addition to all deductions listed in section 143.111, for all taxable years
23 beginning on or after January 1, 2009, a taxpayer shall be allowed a deduction for the
24 purchase price of any qualified fuel cell property, any qualified photovoltaic property, or
25 any qualified geothermal heat pump. The deduction amount shall be equal to the lesser
26 of:

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

29 (2) Fifty percent of the purchase price of any qualified photovoltaic property or
30 eight thousand dollars;

31 (3) Fifty percent of the purchase price of any qualified geothermal heap pump or
32 two thousand dollars.

33 3. The department of revenue shall establish the procedure by which the deduction
34 provided in this section may be claimed, and may promulgate rules to implement the
35 provisions of this section. Any rule or portion of a rule, as that term is defined in section
36 536.010, RSMo, that is created under the authority delegated in this section shall become
37 effective only if it complies with and is subject to all of the provisions of chapter 536,
38 RSMo, and, if applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are
39 nonseverable and if any of the powers vested with the general assembly pursuant to
40 chapter 536, RSMo, to review, to delay the effective date, or to disapprove and annul a rule
41 are subsequently held unconstitutional, then the grant of rulemaking authority and any
42 rule proposed or adopted after August 28, 2009, shall be invalid and void.

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

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

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

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