HB 1182 -- Green Building and Smart Growth Tax Credit Act

Sponsor: Silvey

This bill establishes the Green Building and Smart Growth Tax Credit Act. In its main provisions, the bill:

(1) Requires the Department of Economic Development, in consultation with the Department of Natural Resources, to adopt specified construction and development standards for taxpayers wishing to receive the tax credit;

(2) Specifies that successful applicants will receive a tax credit each year for up to 10 years equal to:

(a) 15% of eligible costs for eligible projects meeting the requirements specified in the bill;

(b) 5% of eligible costs for eligible projects with a certified rating; 7% for projects with a silver rating; 8% for projects with a gold rating; or 10% for projects with a platinum rating as determined by Department of Natural Resources;

(c) 2.5% of eligible costs for mixed-use developments;

(d) 0.5% of eligible costs for eligible projects in which less than 10% of the project's land, not including shared open spaces, is devoted to parking areas, garages, and driveways;

(e) 0.5% of eligible costs for eligible projects with respect to which variances are secured from the relevant municipalities to allow 50% or less parking than is required by applicable local zoning codes and are built in accordance with the variances; and

(f) Up to 5% of eligible costs for developments which meet specified density levels;

(3) Prohibits, in any tax year, an applicant from receiving more than 20% of the total amount allowed based on the specified percentages. The amount of the tax credit otherwise due, but which cannot be applied during the tax year, may be carried forward for 15 years, transferred, or sold. A refund will be issued if the amount of tax credits allowed exceeds the amount of the taxpayer's income tax; and

(4) Specifies that the total amount of tax credits issued in the first fiscal year in which they are available cannot exceed $45 million and cannot exceed $90 million in each of the next six fiscal years. Any tax credits remaining unused in a fiscal year will roll over to the next fiscal year.

The provisions of the bill will expire five years from the effective date.