

MAINE STATE LEGISLATURE

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1 FIRST REGULAR SESSION
2

3 ONE HUNDRED AND ELEVENTH LEGISLATURE
4

5 Legislative Document

No. 769

7 S.P. 248

In Senate, February 15, 1983

8 Submitted by the Department of Energy Resources pursuant to Joint Rule
9 24.

10 Referred to the Committee on Taxation. Sent down for concurrence and
ordered printed.

Presented by Senator Pearson of Penobscot.

11 Cosponsors: Representative Michael of Auburn, Representative Andrews
of Portland, and Representative McGowan of Pittsfield.

12 STATE OF MAINE
13

14 IN THE YEAR OF OUR LORD
15 NINETEEN HUNDRED AND EIGHTY-THREE
16

17 AN ACT to Amend the State Income Tax
18 Credit for the Installation of Renewable
19 Energy Systems.
20

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

23 Sec. 1. 36 MRSA §5127, sub-§3, as amended by PL
24 1981, c. 706, §36, is repealed and the following
25 enacted in its place:

26 3. Income tax credit for installation of renew-
27 able energy systems. A taxpayer, who purchases and
28 installs an active solar system, a passive solar sys-
29 tem, a photovoltaic system, or a wind energy system
30 or components for any of these systems in this State
31 shall be allowed a credit against the tax otherwise
32 due under this Part equal to 20% of the purchase
33 price of the system, including sales tax, or \$300,
34 whichever is less. The credit is allowable against

1 taxes due only for the year in which installation is
2 completed and only for the initial purchase of new
3 equipment. No more than one taxpayer may claim the
4 credit for any installation. In no case may this
5 credit be claimed more than once by any taxpayer and
6 in no case may this credit reduce the state income
7 tax to less than zero. This subsection shall remain
8 in effect until January 1, 1989.

9 A. An "active solar system" means an assembly of
10 a collector, thermal device and transfer medium
11 which converts solar energy into thermal energy
12 and in which mechanical energy is used to accom-
13 plish the transfer of thermal energy. Active
14 solar systems include, but are not limited to,
15 solar hot water systems and solar space heating
16 panels that use a fan or pump to circulate the
17 transfer medium. Qualifying systems or compo-
18 nents do not include sunspaces or heat pumps.

19 B. A "passive solar system" means an assembly of
20 a collector, thermal device and transfer medium
21 which converts solar energy into thermal energy
22 in a controlled manner and in which no fans or
23 pumps are used to accomplish the transfer of the
24 thermal energy. Passive solar systems include,
25 but are not limited to, Trombe walls and
26 thermosiphoning air panels. Qualifying compo-
27 nents include, but are not limited to, phase
28 change materials and water storage tubes. The
29 following solar-related items do not qualify as a
30 passive solar system or component: Glazing, win-
31 dows and moveable insulation; skylights; solar
32 ponds; swimming pool covers; masonry walls and
33 floors.

34 C. "Photovoltaic system" means an array of solar
35 cells which convert sunshine directly into elec-
36 tric current. The system may include batteries
37 that store the electricity.

38 D. A "wind energy system" includes any machine
39 which converts available wind energy into elec-
40 trical output form. A wind energy system has 4
41 subsystems:

42 (1) A rotor;

