

# MAINE STATE LEGISLATURE

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1 SECOND REGULAR SESSION  
2

3 ONE HUNDRED AND ELEVENTH LEGISLATURE  
4

5 Legislative Document

No. 2432

6  
7 H.P. 1831

House of Representatives, April 3, 1984

8 Referred to the Committee on Taxation. Sent up for concurrence and  
9 ordered printed.

EDWIN H. PERT, Clerk

10 Presented by Representative Mitchell of Freeport.

11  
12 STATE OF MAINE  
13

14 IN THE YEAR OF OUR LORD  
15 NINETEEN HUNDRED AND EIGHTY-FOUR  
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24 1983, c. 571, §23, is repealed and the following en-  
25 acted 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 or  
30 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 \$100,  
34 whichever is less. The credit is allowable against  
35 taxes due only for the year in which installation is

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

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

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

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

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

41 (1) A rotor;

