

LEGISLATURE OF NEBRASKA
ONE HUNDREDTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 444

Introduced by Stuthman, 22

Read first time January 16, 2007

Committee: Revenue

A BILL

1 FOR AN ACT relating to sales and income tax; to amend section
2 77-27,235, Revised Statutes Cumulative Supplement, 2006;
3 to change provisions relating to the renewable energy
4 tax credit; to modify terms; and to repeal the original
5 section.
6 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 77-27,235, Revised Statutes Cumulative
2 Supplement, 2006, is amended to read:

3 77-27,235 (1) Any producer of electricity generated by
4 a new zero-emission facility shall earn a renewable energy tax
5 credit. For electricity generated on or after July 14, 2006, and
6 before January 1, 2010, the credit shall be ~~-.075~~ 0.1 cent for
7 each kilowatt-hour of electricity generated by a new zero-emission
8 facility. For electricity generated on or after January 1, 2010,
9 and before January 1, 2013, the credit shall be ~~-.05~~ .075 cent
10 per kilowatt-hour for electricity generated by a new zero-emission
11 facility. For electricity generated on or after January 1, 2013,
12 and before January 1, 2018, the credit shall be ~~-.025~~ .05 cent
13 per kilowatt-hour for electricity generated by a new zero-emission
14 facility. The credit may be earned for production of electricity
15 for ten years after the date that the facility is placed in
16 operation on or after July 14, 2006.

17 (2) For purposes of this section:

18 (a) Electricity generated by a new zero-emission
19 facility means electricity that is exclusively produced by a new
20 zero-emission facility;

21 (b) Eligible renewable resources means wind, ~~moving~~
22 ~~water,~~ hydropower, solar, geothermal, fuel cell, methane gas,
23 or photovoltaic technology; and

24 (c) New zero-emission facility means an electrical
25 generating facility located in this state that is first placed into

1 service on or after July 14, 2006, ~~with a rated production of one~~
2 ~~megawatt or greater~~ which utilizes eligible renewable resources
3 as its fuel source and for which the operation of the facility
4 results in no pollution or emissions that are or may be harmful
5 to the environment as certified by the Department of Environmental
6 Quality.

7 (3) The credit allowed under this section may be used to
8 reduce the producer's Nebraska income tax liability or to obtain
9 a refund of state sales and use taxes paid by the producer of
10 electricity generated by a zero-emission facility. A claim to use
11 the credit for refund of the state sales and use taxes paid, either
12 directly or indirectly, by the producer may be filed quarterly for
13 electricity generated during the previous quarter by the twentieth
14 day of the month following the end of the calendar quarter. The
15 credit may be used to obtain a refund of state sales and use taxes
16 paid during the quarter immediately preceding the quarter in which
17 the claim for refund is made, except that the amount refunded under
18 this subsection shall not exceed the amount of the state sales and
19 use taxes paid during the quarter.

20 (4) The Department of Revenue may adopt and promulgate
21 rules and regulations to permit verification of the validity and
22 timeliness of any renewable energy tax credit claimed.

23 (5) The Environmental Quality Council may adopt and
24 promulgate rules and regulations to certify that the operation of
25 a new zero-emission facility results in no pollution or emissions

1 that are or may be harmful to the environment.

2 (6) The total amount of renewable energy tax credits
3 that may be used by all taxpayers shall be limited to four
4 hundred thousand dollars without further authorization from the
5 Legislature.

6 Sec. 2. Original section 77-27,235, Revised Statutes
7 Cumulative Supplement, 2006, is repealed.