

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1223

Page 1, line 1, remove "subsection 1 of"

Page 1, line 5, replace "Subsection 1 of section" with "Section"

Page 1, after line 6, insert:

"57-38-01.8. Income tax credit for installation of geothermal, solar, or wind energy devices."

Page 1, line 9, after "installed" insert "before January 1, 2001,"

Page 1, line 11, overstrike "five" and insert immediately thereafter "three" and overstrike "three" and insert immediately thereafter "five"

Page 1, after line 14, insert:

"2. For the purposes of this section:

- a. "Geothermal energy device" means a system or mechanism or series of mechanisms designed to provide heating or cooling or to produce electrical or mechanical power, or any combination of these, by a method which extracts or converts the energy naturally occurring beneath the earth's surface in rock structures, water, or steam.
- b. "Solar or wind energy device" means a system or mechanism or series of mechanisms designed to provide heating or cooling or to produce electrical or mechanical power, or any combination of these, or to store any of these, by a method which converts the natural energy of the sun or wind.

3. If a geothermal, solar, or wind energy device is a part of a system which uses other means of energy, only that portion of the total system directly attributable to the cost of the geothermal, solar, or wind energy device may be included in determining the amount of the credit. The costs of installation may not include costs of redesigning, remodeling, or otherwise altering the structure of a building in which a geothermal, solar, or wind energy device is installed.

4. A partnership, subchapter S corporation, limited partnership, limited liability company, or any other passthrough entity that installs a geothermal, solar, or wind energy device in a building or on property owned or leased by the passthrough entity must be considered to be the taxpayer for purposes of this section, and the amount of the credit allowed with respect to the entity's investments must be determined at the passthrough entity level. The amount of the total credit determined at the entity level must be passed through to the partners, shareholders, or members in proportion to their respective interests in the passthrough entity."

Renumber accordingly