

HB 1297 -- SOLAR ENERGY PROPERTY TAX CREDITS

SPONSOR: Cupps

Beginning January 1, 2024, a qualified taxpayer may claim a tax credit in an amount equal to 25% of the cost, including the cost of installation, of solar energy property if the qualified taxpayer constructs, purchases, or leases solar energy property that is:

- (1) Located in the state of Missouri;
- (2) Located on either the Environmental Protection Agency's National Priority List, the Environmental Protection Agency's National Priority List Equivalent Sites, or land that is subject to a corrective action under the Federal Resource Conservation and Recovery Act of 1976; and
- (3) Placed in service in this state by the qualified taxpayer during the tax year for which the tax credit is claimed.

If the solar energy property is leased by a taxpayer, the lessor shall provide the taxpayer with a statement that describes the solar energy property and states the cost of the property. A taxpayer who leases solar energy property may not claim the tax credit unless the taxpayer receives a written certification from the lessor that the lessor will not be claiming the tax credit.

Such tax credit is not allowed if the cost of the solar energy property is provided by public funds. Under the provisions of this bill, "public funds" does not include federal grants or tax credits.

The tax credit is earned in the year in which the solar energy property is placed in service but shall be taken in five equal annual installments, beginning within three years of the year in which the solar energy property is placed in service. A tax credit for each installation of solar energy property shall not exceed \$5 million. Such tax credit is allowed on a first-come, first-served basis, and the cumulative amount of credits available to be taken in a tax year shall not exceed \$2.5 million in the aggregate per tax year. A taxpayer may not claim such tax credit if said taxpayer has also claimed any other similar solar energy property tax credit that the state offers.

This program sunsets on December 31st, six years after the effective date.