

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

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SENATE BILL 372  
PROPOSED COMMITTEE SUBSTITUTE S372-PCS15204-TD-7

Short Title: Renewable Energy Safe Harbor.

(Public)

Sponsors:

Referred to:

March 25, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO PROVIDE A SAFE HARBOR FOR RENEWABLE ENERGY PROJECTS  
3 THAT ARE SUBSTANTIALLY COMPLETED BY JANUARY 1, 2016, BY  
4 EXTENDING THE TAX CREDIT FOR RENEWABLE ENERGY PROPERTY ONE  
5 YEAR FOR THOSE PROJECTS.

6 The General Assembly of North Carolina enacts:

7 SECTION 1. G.S. 105-129.16A reads as rewritten:

8 "§ 105-129.16A. Credit for investing in renewable energy property.

9 ...

10 (e) Sunset. – ~~This~~ Except for taxpayers covered by subsection (f) of this section, this  
11 section is repealed effective for renewable energy property placed into service on or after  
12 January 1, 2016.

13 (f) Delayed Sunset. – This section is repealed effective for renewable energy property  
14 placed in service on or after January 1, 2017.

15 A taxpayer is eligible for the delayed sunset provided by this subsection if the taxpayer  
16 makes a timely application for the extension, pays the application fee, and meets both of the  
17 following conditions on or before January 1, 2016: (i) incurred at least the minimum percentage  
18 of costs of the project and (ii) completed at least the minimum percentage of the physical  
19 construction of the project. For a project with a total size of less than 65 megawatts of direct  
20 current capacity, the minimum percentage of incurred costs and partial construction is at least  
21 eighty percent (80%). For a project with a total size of 65 megawatts or more of direct current  
22 capacity, the minimum percentage of incurred costs and partial construction is at least fifty  
23 percent (50%).

24 An application and payment must be filed with the Secretary on or before October 1, 2015.  
25 The application must include the location of the project, an estimate of the total cost of the  
26 project, the total anticipated credit to be claimed, and the total size in megawatt capacity of  
27 each project proposed or under construction. The nonrefundable fee to be paid with the  
28 application is one thousand dollars (\$1,000) per megawatt of capacity, with a minimum fee of  
29 five thousand dollars (\$5,000).

30 A taxpayer must provide the documentation required under this subsection to the  
31 Department on or before March 1, 2016, to verify that the taxpayer meets the minimum  
32 percentage of incurred costs and partial construction required to be eligible for the sunset  
33 extension:

34 (1) A written certification signed by the taxpayer that, prior to January 1, 2016,  
35 at least the minimum percentage of the physical construction of the project



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- 1                    was completed and that at least the minimum percentage of the total cost of
- 2                    the project was incurred.
- 3                    (2)                A notarized copy of a written report prepared by an independent engineer
- 4                    duly licensed in the State of North Carolina with expertise in the design and
- 5                    construction of installations of renewable energy property stating that at least
- 6                    the minimum percentage of the project was constructed and installed prior to
- 7                    January 1, 2016.
- 8                    (3)                A notarized copy of a written report prepared by a certified public
- 9                    accountant duly licensed to practice in the State of North Carolina with
- 10                   expertise in accounting for and taxation of renewable energy property and
- 11                   that was prepared in accordance with AT Section 201 of the American
- 12                   Institute of Certified Public Accountants Standards for Agreed-Upon
- 13                   Procedures Engagements stating that the minimum percentage of the total
- 14                   cost of the project was paid or incurred as determined under Section 461 and
- 15                   other relevant sections of the Code prior to January 1, 2016."

16                **SECTION 2.** This act is effective when it becomes law.