A bill for an act

relating to taxation; income taxes; providing for a small wind turbine investment tax credit; proposing coding for new law in Minnesota Statutes, chapter 290.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. **[290.0678] SMALL WIND TURBINE INVESTMENT TAX CREDIT.**

Subdivision 1. **Credit allowed.** An individual taxpayer is allowed a credit, not to exceed $1,500, against the tax due under this chapter equal to 30 percent of the amount paid during the taxable year for qualifying small wind energy property placed in service during the taxable year.

Subd. 2. **Definitions.** (a) For purposes of this section, the following terms have the meanings given.

(b) "Qualifying small wind energy property" means real or personal property that uses a qualifying small wind turbine to generate electricity for a residence or farm.

(c) "Qualifying small wind turbine" means a wind turbine that has a nameplate capacity of not more than 100 kilowatts.

Subd. 3. **Carryover provision.** If the credit provided under this subdivision exceeds the tax liability of the taxpayer for the taxable year, the excess amount of the credit may be carried over to each of the five taxable years succeeding the taxable year. The entire amount of the credit must be carried to the earliest taxable year to which the amount may be carried. The unused portion of the credit must be carried to the following taxable year. No credit may be carried to a taxable year more than five years after the taxable year in which the credit was earned.

EFFECTIVE DATE. This section is effective for expenditures in taxable years beginning after December 31, 2008, and before December 31, 2016.