

HOUSE BILL 2646

By Cooper B

AN ACT to amend Tennessee Code Annotated, Title 67,
relative to certain energy systems.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 67, Chapter 6, is amended and
reenacted to read as follows:

§ 67-6-396.

(a) There are exempt from the tax imposed by this chapter the cost of purchase and installation of a wind energy system or solar energy system, or both, by a taxpayer at his or her residence located in this state, by the owner of a residential rental apartment project, or by a taxpayer who purchases and installs such a system in a residence or a residential rental apartment project which is located in Tennessee. The exemption may be claimed in cases where the resident individual purchases a newly-constructed home with such a system already installed or where such a system is purchased and installed at an existing home, or where such systems are installed in new or existing apartment projects. Only one (1) such tax exemption shall be available for any eligible system. Once a tax exemption authorized pursuant to this section is claimed by a taxpayer for a particular system, that same system shall not be eligible for any other tax exemption pursuant to this section. If the residential property or system is sold, the taxpayer who claimed the tax credit shall disclose his use of the tax exemption to the purchaser.

(b) In the case of a taxpayer who purchases and installs such a system in a residence or a residential rental apartment project which is located in

Tennessee, the tax exemption shall be claimed on the return for the taxable year in which such system is completed and placed in service. In the case of a taxpayer who purchases a newly-constructed home or newly-constructed residential rental apartment project with such a system, the tax exemption shall be claimed on the return for the taxable year in which the act of sale takes place.

SECTION 2. The provision of this act shall be applicable to taxable events beginning on and after January 1, 2011.

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.