

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2007

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HOUSE BILL 1074\*

Short Title: Renewable Energy Credit - 501(c)(3). (Public)

Sponsors: Representatives Harrison, Insko, Alexander, Samuelson (Primary Sponsors); Allred, Avila, Barnhart, Blackwood, Boylan, Braxton, Bryant, Carney, Cotham, Current, Faison, Farmer-Butterfield, Glazier, T. Harrell, Hurley, Justice, Killian, Langdon, Lewis, Luebke, McElraft, McGee, Neumann, Pierce, Stiller, Thomas, Tillis, Wainwright, Walend, Wiley, Womble, and Wray.

Referred to: Energy and Energy Efficiency, if favorable, Finance.

March 27, 2007

A BILL TO BE ENTITLED

AN ACT TO ALLOW A TAX CREDIT TO CONTRIBUTORS TO 501(C)(3)  
ORGANIZATIONS FOR RENEWABLE ENERGY PROPERTY.

The General Assembly of North Carolina enacts:

**SECTION 1.** Article 3B of Chapter 105 of the General Statutes is amended by adding a new section to read:

**"§ 105-129.16G. Credit for contributing to a nonprofit organization that invests in renewable energy property.**

(a) Credit. – A taxpayer that makes an eligible contribution to a nonprofit organization organized under section 501(c)(3) of the Code is allowed a credit under this section. The amount of credit allowed is equal to a portion of the credit that the nonprofit organization would be allowed under G.S. 105-129.16A if the nonprofit organization was subject to tax. The portion allowed to each taxpayer is equal to the percentage of the total costs for which the nonprofit organization would have been eligible for a credit under G.S. 105-129.16A which were covered by the taxpayer's eligible contribution.

(b) Definition. – For the purposes of this section, an 'eligible contribution' is one that satisfies all of the following conditions:

(1) The contribution was designated by the taxpayer to be used for investing in renewable energy property.

(2) The nonprofit organization used the contribution for investing in renewable energy property.

(c) Administration. – The nonprofit organization must keep records of all contributions that have been designated to be used for investing in renewable energy

1 property and must keep records of all investments in renewable energy property. The  
2 nonprofit organization must inform all taxpayers that make eligible contributions of the  
3 amount of credit for which they are eligible."

4 **SECTION 2.** G.S. 105-259(b) is amended by adding a new section to read:

5 "(b) Disclosure Prohibited. – An officer, an employee, or an agent of the State  
6 who has access to tax information in the course of service to or employment by the State  
7 may not disclose the information to any other person unless the disclosure is made for  
8 one of the following purposes:

9 ...

10 (38) To verify with a nonprofit organization information relating to  
11 eligibility for a credit under G.S. 105-129.16G."

12 **SECTION 3.** This act is effective for taxable years beginning on or after  
13 January 1, 2007.