

REVENUE: Revenue statement issued

FISCAL: Fiscal statement issued

Action:	Do Pass the A-Engrossed Measure and Be Referred to the Committee on Finance and Revenue by prior reference
Vote:	5 - 0 - 0
Yeas:	Atkinson, Bates, Beyer, Prozanski, Avakian
Nays:	0
Exc.:	0
Prepared By:	Sue Marshall, Administrator
Meeting Dates:	4/5

WHAT THE MEASURE DOES: Amends the Residential Energy Tax Credit (RETC) program. Increases the maximum tax credit for fuel cells and for wind generation from \$1,500 to \$6,000 claimed over four years. Clarifies that a tax credit can be taken for each qualifying device if more than one device is acquired in the same year. Makes high efficiency wood stoves eligible for the RETC.

ISSUES DISCUSSED:

- Ability for individuals to claim tax credit for installing more than one system
- Benefits of renewable energy

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: Energy efficient products and technologies currently eligible for residential tax credits include clothes washers, dishwashers, refrigerators, fuel cells, heating and air conditioning systems, solar water heating, solar electric (photovoltaic) systems, solar space heating, wind systems, alternative fuel vehicles and hybrid vehicles.

The maximum amount of tax credits a resident may receive per year is \$1,000 for appliances, including heating, ventilation, and air conditioning (HVAC) equipment. The maximum amount of tax credits a resident may receive per year is \$1,500 for renewable energy equipment such as solar and wind systems.

The Oregon Residential Energy Tax Credit brochure is available at <http://oregon.gov/ENERGY/CONS/RES/tax/docs/retcbro.pdf>

In tax year 2005, roughly 34,500 tax filers claimed a total of \$9.7 million dollars in these credits and reduced their liability by \$9.1 million.