

HB 2775 -1 STAFF MEASURE SUMMARY

House Committee On Revenue

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Meeting Dates: 4/3

WHAT THE MEASURE DOES:

Creates an annual cap of \$5 million in certifications for manure biomass tax credits. Applies to tax years 2017 through 2021. Beginning in tax year 2018, limits the tax credit to manure processed in a digester that was in operation prior to July 1, 2016.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-1 Changes the annual cap to a biennial cap. Applies to biennia beginning on or after July 1, 2017.

BACKGROUND:

Under current law, the biomass tax credit for manure is \$3.50 per wet ton and has a sunset date of January 1, 2022. In tax year 2015, roughly 60 taxpayers were certified for a total of \$4.1 million in tax credits.