

SB 1015 STAFF MEASURE SUMMARY

Senate Committee On Energy and Environment

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Sub-Referral To: Joint Committee On Tax Expenditures

Meeting Dates: 3/21, 3/28

WHAT THE MEASURE DOES:

Allows taxpayer to fully depreciate, over two tax years, property that shows demonstrable reduction in carbon emissions beginning with the tax year the property is placed in service. Applies to tax years beginning on or after January 1, 2020. Authorizes the Environmental Quality Commission to adopt rules to establish criteria. Takes effect on 91st day following adjournment sine die.

- Revenue Statement Issued – For Purpose of Moving Bill to JCTE
- Fiscal Statement Issued – For Purpose of Moving Bill to JCTE

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Depreciation is an income tax deduction that allows a taxpayer to recover the cost or other basis of certain property. It is an annual allowance for the wear and tear, deterioration, or obsolescence of the property. Senate Bill 1015 would allow a taxpayer to fully depreciate property that shows a demonstrable reduction in carbon emissions over two tax years.