

# HOUSE RESEARCH

## Bill Summary

**FILE NUMBER:** H.F. 1713

**DATE:** March 29, 2005

**Version:** As introduced

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**Subject:** Expands the definition of, and eliminates the sunset on the sales tax exemption for solar energy systems

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### Overview

The purchase of a number of energy efficient products; including photovoltaic devices, is currently exempt from the sales tax. This exemption expires July 31, 2005. This bill would replace that temporary exemption with a permanent sales tax exemption for all solar energy systems; which includes photovoltaic devices.

#### Section

- 1 Solar products.** Allows the sales tax exemption for energy-efficient hot water heaters and furnaces to expire as scheduled, and replaces the exemption for photovoltaic devices with an exemption for all solar energy systems. A photovoltaic system is one that converts solar power into electricity, while a solar energy system can also use and store solar energy in other forms, such as heat. The expiration date for the original exemption remains July 31, 2005, while the exemption for solar energy systems is effective for sales and purchases beginning August 1, 2005.