

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

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SENATE DRS85207-LY-154 (3/8)

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

Sponsors: Senator Clodfelter.

Referred to:

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

1 **SECTION 2.** G.S. 105-259(b) is amended by adding a new section to read:
2 "(b) Disclosure Prohibited. – An officer, an employee, or an agent of the State
3 who has access to tax information in the course of service to or employment by the State
4 may not disclose the information to any other person unless the disclosure is made for
5 one of the following purposes:
6 ...
7 (38) To verify with a nonprofit organization information relating to
8 eligibility for a credit under G.S. 105-129.16G."
9 **SECTION 3.** This act is effective for taxable years beginning on or after
10 January 1, 2007.