

57 (i) (i) "Passive solar system" means a direct thermal system that utilizes the structure of
 58 a building and its operable components to provide for collection, storage, and distribution of
 59 heating or cooling during the appropriate times of the year by utilizing the climate resources
 60 available at the site.

61 (ii) "Passive solar system" includes those portions and components of a building that
 62 are expressly designed and required for the collection, storage, and distribution of solar energy.

62a **H→ (j) "Photovoltaic system" means an active solar system that generates electricity from**
 62b **sunlight.**

63 [~~(j)~~] **(k) ←H** (i) "Principal recovery portion" means the portion of a lease payment that
 64 constitutes the cost a person incurs in acquiring a residential energy system.

65 (ii) "Principal recovery portion" does not include:

66 (A) an interest charge; or

67 (B) a maintenance expense.

68 **H→ [~~(k)~~] (l) ←H** "Residential energy system" means the following used to supply energy to
 68a or for a
 69 residential unit:

70 (i) an active solar system;

71 (ii) a biomass system;

72 (iii) a direct use geothermal system;

73 (iv) a geothermal heat pump system;

74 (v) a hydroenergy system;

75 (vi) a passive solar system; or

76 (vii) a wind system.

77 **H→ [~~(l)~~] (m) ←H** (i) "Residential unit" means a house, condominium, apartment, or similar
 77a dwelling

78 unit that:

79 (A) is located in the state; and

80 (B) serves as a dwelling for a person, group of persons, or a family.

81 (ii) "Residential unit" does not include property subject to a fee under:

82 (A) Section 59-2-404;

83 (B) Section 59-2-405;

84 (C) Section 59-2-405.1;

85 (D) Section 59-2-405.2; or

86 (E) Section 59-2-405.3.

87 **H→ [~~(m)~~] (n) ←H** "Wind system" means a system of apparatus and equipment that is
 87a capable of:

88 (i) intercepting and converting wind energy into mechanical or electrical energy; and
 89 (ii) transferring these forms of energy by a separate apparatus to the point of use or
 90 storage.

91 (2) A claimant, estate, or trust may claim an energy system tax credit as provided in
 92 this section against a tax due under this chapter for a taxable year.

93 (3) ~~[(a) Subject to the other provisions of this Subsection (3);]~~ For a taxable year
 94 beginning on or before December 31, 2021, a claimant, estate, or trust may claim a
 95 nonrefundable tax credit under this ~~[Subsection (3)]~~ section with respect to a residential unit
 96 the claimant, estate, or trust owns or uses if:

97 ~~[(i)]~~ (a) the claimant, estate, or trust:

98 ~~[(A)]~~ (i) purchases and completes a residential energy system to supply all or part of
 99 the energy required for the residential unit; or

100 ~~[(B)]~~ (ii) participates in the financing of a residential energy system to supply all or
 101 part of the energy required for the residential unit;

102 ~~[(ii)]~~ (b) the residential energy system is ~~[completed and placed in service]~~ installed on
 103 or after January 1, 2007; and

104 ~~[(iii)]~~ (c) the claimant, estate, or trust obtains a written certification from the office in
 105 accordance with Subsection ~~[(4)]~~ (5).

106 ~~[(b) (i) Subject to Subsections (3)(b)(ii) through (vi), the tax credit is equal to]~~

107 (4) (a) For a residential energy system, other than ~~H~~→ [an active solar system or a passive
 108 solar system] a photovoltaic system ←~~H~~, the tax credit described in this section is equal to the
 108a lesser of:

109 (i) 25% of the reasonable costs, including installation costs, of each residential energy
 110 system installed with respect to each residential unit the claimant, estate, or trust owns or uses[

111 (ii) A tax credit under this Subsection (3) may include installation costs.]; and

112 (ii) \$2,000.

113 (b) Subject to Subsection (5)(d), for a residential energy system that is ~~H~~→ [an active solar
 114 system or a passive solar system] a photovoltaic system ←~~H~~, the tax credit described in this section
 114a is equal to the lesser of:

115 (i) 25% of the reasonable costs, including installation costs, of each system installed
 116 with respect to each residential unit the claimant, estate, or trust owns or uses; or

117 (ii) (A) for a system installed on or after January 1, 2007, but before December 31,
 118 2017, \$2,000;