NOVOGRADAC
TAX CREDIT TUESDAY
PODCAST

Summary: February 3, 2015

In this week's Tax Credit Tuesday podcast, Michael J. Novogradac, CPA, begins by talking about the president's budget request for fiscal year 2016 and what his proposals could mean for the tax credit community. Then, he discusses the Congressional Budget Office's budget and economic outlook for the years 2015 through 2025. He also talks about the new subcommittee leaders of the Senate Banking, Housing and Urban Affairs Committee. In the low-income housing tax credit section, he discusses the Housing Trust Fund interim rule that HUD published last week. He also discusses the estimated allocations from the Housing Trust Fund, as projected by the National Low-Income Housing Coalition. In related news, he briefly mentions a bill that was introduced in Congress that would *prevent* Fannie Mae and Freddie Mac from funding the Housing Trust Fund and Capital Magnet Fund while they're under conservatorship. Next, he provides information about a webcast and a webinar that are coming up this week on tax exempt bonds and low-income housing tax credit compliance. He closes the section with news of Buzz Roberts, who is leaving the U.S. Treasury Department to head the National Association of Affordable Housing Lenders. In new markets tax credit news, he shares some details about a new bill that's about to be introduced that would make the new markets tax credit a permanent part of the tax code. Then, he discusses a new bill in California that would create a $200 million state New Markets Tax Credit program. In historic tax credit news, he addresses a memo issued by the IRS and what it clarifies for Section 50(d) income. Following that, he shares state-level news items about the historic tax credit programs in Rhode Island and Iowa. In the renewable energy tax credit section, he discusses what Sen. Michael Bennet of Colorado recently had to say about extending the production tax credit. He closes with news of a bill that was introduced in Oklahoma to reduce the state production tax credit.

Summaries of each topic:

GENERAL NEWS

Obama FY 2016 Budget Request

- In general news, President Barack Obama yesterday unveiled a nearly $4 trillion budget plan for fiscal year 2016. I say nearly $4 trillion, because the budget came in at $3.999 trillion in spending.
- I suspect that some minor, that's "minor" in federal budget spending terms, some minor spending amounts were lowered or removed from the budget in order to keep the FY 2016 spending amount from being the first $ 4 trillion budget.
- With budgeted spending at $3.999 trillion and budgeted revenue of $3.53 trillion, the annual budget deficit is budgeted at $474 billion. I note that net interest expense on the national debt for fiscal year 2016 is projected at $283 billion.
- So of the $474 billion deficit, $283 billion of it can be viewed as being interest on the national debt.
- The budget also, I note, assumes that the ten year treasury will rise to 4.5% over the next five years. It currently stands at below 2 percent, or at about 1.7 to 1.8 percent.
- The budget requests nearly $1.1 trillion in discretionary spending.
    - For your reference, that's $74 billion more than the levels in the Bipartisan Budget Act of 2013.
    - The $74 billion increase is split almost exactly 50-50 between defense and non-defense spending.
- The proposal would fully offset the increase by raising revenue and mandating certain spending reforms.
- Now, I'll highlight for you some of the points most important to the tax credit community.
- First of all, there are several provisions to reform and expand the low-income housing tax credit.
- For one thing, it would allow states to convert up to 18 percent of their private activity bond volume cap into low-income housing tax credits.
- This is an increase in requested conversion authority from that that was included in the 2015 budget.
- And if implemented would translate into a roughly 50 percent increase in allocable 9 percent tax credits if every state used the maximum 18 percent conversion rate.
- Similar to last year, the proposal would *not* extend the temporary 9 percent credit floor that expired at the end of 2014.
- Obviously that is something many LIHTC advocates hoped for, but unfortunately didn't expect to be included in the budget.
- The budget does propose an alternative means of calculating the annual tax credit percentage similar to the prior budget.
- Under this formula, discount rate used in the present value calculation for allocated LIHTCs would be the average of the mid-term and long-term applicable federal rates for the relevant month, plus 200 basis points.
    - This change in formula would make the rate more responsive to changes in market interest rates; however, the rate today would be less than 9 percent.
- One entirely new proposal would remove the cap on the qualified census tract designation for basis boosts.

- What is this? Under current law, a 130 percent basis boost, or really a 30 percent basis boost over the 100 percent original basis, is available for properties in qualified census tracts with certain poverty rates or area median income levels.
  - However, there is a cap for this designation if the aggregate population of the census tract exceeds 20 percent of the metropolitan area population.
  - The budget proposal would remove the aggregate cap.
  - This would enable properties in more areas to receive the boost.
- For programs under the U.S. Department of Housing and Urban Development, or HUD, the budget would provide a gross $49.3 billion funding amount.
  - That amount is $4 billion or 8.7 percent more than the 2015 enacted level.
- Part of that would be $21.1 billion for the Housing Choice Voucher program.
  - That includes $18.3 billion for Section 8 renewals, a 4.8 percent increase from last year.
- HUD's budget would also have $10.8 billion for the project-based rental assistance program, which is about $1 billion more than last year's funding level.
- Please note that the budget request depends on projected FHA and Ginnie Mae receipts to offset HUD program costs, but the Congressional Budget Office has rejected this in the past.
- The president's budget also includes a proposal that community development stakeholders have long advocated.
- For the third year in a row, the president's budget proposed permanently extending the new markets tax credit.
  - It would authorize the program at $5 billion per year and it would give authority to offset alternative minimum tax liability.
- And as it did last year, the administration proposed creating a new Manufacturing Communities Tax Credit.
- The program would target investments in places that don't necessarily qualify as low-income communities, but have suffered or expect to suffer economic disruption from a major job loss event, such as a military base or manufacturing plant closing.
  - The Manufacturing Communities Tax Credit would be authorized at $2 billion a year through 2018.
- For renewable energy, the budget would modify and make permanent the production tax credit and the 30 percent investment tax credit.
- I invite you to check out our latest blog post for more details. To find the blog, simply Google Novogradac and wordpress.com.
- You'll also find a copy of the proposed budget and related documents at www.novoco.com/hottopics.
- I also note the House Committee on Ways and Means held a hearing this morning on the president's budget proposals.
  - The sole witness was Treasury Secretary Jacob Lew.
- I'll have more information on that hearing next week.

CBO Releases Budget and Economic Outlook: 2015-2025

- In other news, the Congressional Budget Office, or CBO, last week provided testimony about the federal budget and the country's economic outlook for the years 2015 through 2025.

- The report includes an economic forecast and projections of spending and revenues under current law.
- CBO Director Douglas Elmendorf presented the information at a House Budget Committee hearing last Tuesday.
- The CBO estimates that the deficit for fiscal year 2015 will amount to $468 billion, slightly less than the $483 billion in 2014.
- The deficit is 2.6 percent of gross domestic product.
  - That's the smallest relative to the nation's output since 2007.
- Looking ahead, the deficit in the year 2025 is projected to be $1.1 trillion, or 4 percent of the gross domestic product.
- And cumulative deficits over the 2016 to 2025 time period are projected to total $7.6 trillion.
- Although the federal budget deficit has fallen sharply in the past few years, the CBO projects that the gap between spending and revenue will start growing again in 2017.
  - That's partly because of an expected increase in spending on Social Security, Medicare and debt payments.
- Now let's talk briefly about debt.
- Through the next decade, CBO estimates $9.5 trillion will be added to the national debt.
- By 2025, CBO projects federal debt to rise to nearly 79 percent of gross domestic product.
- At the hearing, committee chairman Rep. Tom Price said that lawmakers need to change the direction of policies because the country is on an unsustainable path.
- The CBO's predictions will give lawmakers a benchmark against which to measure the effects of proposed spending and tax law changes.
- You can find a copy of the report titled, "The Budget and Economic Outlook: 2015 to 2025," at www.novoco.com/hottopics.

Senate Banking, Housing and Urban Affairs Subcommittee Leaders Announced

- In other news, the Senate Committee on Banking, Housing and Urban Affairs' Chairman Richard Shelby and Ranking Member Sherrod Brown made an important announcement last week.
- They announced subcommittee chairmen and members for the 114th Congress.
- For the Subcommittee on Housing, Transportation and Community Development, the chair is Sen. Tim Scott from South Carolina. I note that Sen. Tim Scott was a co-sponsor of the NMTC permanency legislation in the last Congress.
  - The ranking member is Sen. Robert Menendez from New Jersey.
- The subcommittee has jurisdiction over
  - affordable housing,
  - senior housing,
  - Indian housing,
  - the U.S. Department of Housing and Urban Development or HUD and
  - the Federal Housing Administration, or FHA.
- The Subcommittee on Economic Policy will be chaired by its former ranking member Sen. Dean Heller from Nevada.
  - Meanwhile, the new ranking member will be Sen. Elizabeth Warren from Massachusetts.
- Among other things, the Subcommittee on Economic Policy has jurisdiction over

  - the Federal Reserve and
  - the Office of Financial Research.
- For more of the latest news from Washington, as always, I invite you to follow me on Twitter. My Twitter handle is @Novogradac.

LOW-INCOME HOUSING TAX CREDIT NEWS

HUD Issues Housing Trust Fund Interim Rule; NLIHC Releases State Funding Estimates

- In affordable housing news, the Department of Housing and Urban Development, or HUD, last week published the interim rule governing the Housing Trust Fund.
- As many of our listeners know, the Housing Trust Fund and the Capital Magnet Fund were authorized by Congress in 2008 to provide financing for the production and preservation of affordable housing.
- Congress directed both Fannie Mae and Freddie Mac to make annual contributions to the funds.
- The legislation passed more than six years ago, but because of the Great Recession, both Fannie Mae and Freddie Mac were placed into conservatorship and contributions to the funds were suspended.
    - Fannie and Freddie have since then returned to better fiscal solvency.
    - So this past December, the director of the FHFA, Mel Watt, directed the enterprises to begin setting aside contributions for the funds.
- As the administrator of the Housing Trust Fund, HUD published the interim rule and will submit a copy to the Senate and the House of Representatives.
- Barring a move to overturn the rule by a legislative body, which rarely happens, the rule takes effect 60 days after publication.
- Major provisions include
    - income determinations;
    - eligible costs and activities; and
    - project requirements.
- HUD originally released a proposed Housing Trust Fund allocation formula in 2009 and proposed regulations in 2010.
- Well, the interim rule has a few significant differences from that proposed rule, including
    - removal of a proposed incentive for transit-oriented development and
    - permitting the use of HTF funds for public housing under certain federal housing programs.
- Another change is the requirement that all funds target extremely low-income households when the Housing Trust Fund is less than $1 billion.
- Each of the states and the District of Columbia will receive a minimum of floor allocation of $3 million.
- Factors that determine allocation amounts are
    - a state's relative shortage of rental housing available to extremely low- and very-low-income families;
    - the relative number of extremely low- and very-low-income renter households living in substandard, overcrowded or unaffordable units in a particular state; and
    - construction cost adjustment factors.
- The National Low-Income Housing Coalition, or NLIHC, also updated their estimates as to how much each state will receive as the result of the funding.
    - The organization's estimate acknowledges that the total amount will depend on the volume of business for Fannie Mae and Freddie Mac.
- The NLIHC thus released two estimates, one based on if $250 million is available in February 2016 and the other based on if $500 million is available.

  - As I mentioned, the minimum a state can receive is $3 million, so any states with less than that amount will get a boost, with others adjusted down accordingly.
  - The largest estimated state allocations in the $250 million scenario are California at about $29 million and New York at about $19 million.
  - In the $500 million scenario, California is estimated at about $82 million and New York is at about $51 million.
  - Texas, Florida and Illinois are the next three largest recipients in each list.
- You can find HUD's interim rule and NLIHC's estimated state allocations at www.taxcredithousing.com.
- For additional information about the Housing Trust Fund, contact Peter Lawrence in our Washington DC office.

Bill Introduced to Prohibit GSE Funding of Housing Trust Fund, Capital Magnet Fund

- In related news, here's an interesting twist on that same story.
- Senior House Financial Services Committee Member Rep. Ed Royce, a Republican from California, introduced a bill last week that would actually *prevent* Fannie Mae and Freddie Mac from funding the Housing Trust Fund and Capital Magnet Fund.
- The legislation would prohibit the enterprises from making payments to the funds while they're under conservatorship.
- Another provision would require allocations already transferred or set aside for the funds to be used instead for deficit reduction.
- Royce introduced a nearly identical bill (H.R. 3901) in the last Congress.
  - That bill had 22 cosponsors, including House Financial Services Committee Chairman Jeb Hensarling.
- A copy of the current legislation, the Pay Back the Taxpayers Act of 2015, can be found at www.novoco.com/hottopics.

IRS Tax Exempt Bonds Webcast

- Shifting gears now, the IRS will host a free webcast this week on tax exempt bond updates for fiscal year 2015. Yes, that's a FREE webcast.
- Topics covered will include updates on
  - the market segment audit program
  - the voluntary closing agreement program, including new processes, and
  - other topics.
- The webcast will be presented by Rebecca Harrigal, director of the IRS Office of Tax Exempt Bonds.
- It will be held this Thursday, Feb. 5 at 2 p.m. Eastern.
- You can find registration information at www.irs.gov.

LIHTC Compliance Rules Webinar

- Speaking of events, we at Novogradac are hosting a webinar on general LIHTC compliance rules. It will be held this Friday.
- The webinar is designed for LIHTC
  - property owners,
  - asset managers,
  - on-site managers and

- anyone else interested in making sure that a property generates the full amount of tax credits it was awarded by remaining in compliance with LIHTC rules and regulations.
- Some of the topics we'll cover include:
  - differences between compliance period vs. extended-use period,
  - applicable fraction vs. minimum set-aside,
  - transferring tenants and
  - the full-time student rule.
- The webinar will be this Friday, Feb. 6, from 1 p.m. to 3 p.m. Eastern.
- Registration closes this Thursday at 5 p.m. Eastern, on Feb. 5.

Buzz Roberts Joins NAAHL

- Before we close out this housing section, I'd like to note that Buzz Roberts is leaving his role as the director of small business, community development and housing policy at the U.S. Treasury Department.
- The affordable housing and community development community will miss the leadership Buzz provided at Treasury on these issues.
- Starting Feb. 9, that's next Monday, Buzz will be the president and CEO of the National Association of Affordable Housing Lenders, or NAAHL.
- We congratulate Buzz on this new opportunity for him and look forward to working with him in his new role.
- As many of you know, NAAHL represents many of the country's private lenders and investors in affordable housing and community economic development.
- Buzz will succeed Judy Kennedy, who has led NAAHL since 1998.
- Buzz actually is no stranger to NAAHL.
- He served on its board of directors from 1997 to 2010.
  - He represented the Local Initiatives Support Corporation, or LISC, where he was senior vice president for policy and program development at the time.
- Buzz has also served on the boards of the National Housing Conference and the New Markets Tax Credit Coalition.
- Some of you may also know that before joining the Treasury in 2011, Buzz used to write a column for the Novogradac Journal of Tax Credits.
- On behalf of my colleagues, I'd like to offer our congratulations to Buzz.
- And we look forward to working with him in his new role at NAAHL.

NEW MARKETS TAX CREDIT NEWS

NMTC Coalition Expects Lawmakers to Introduce Legislation to Make NMTC Permanent

- In new markets tax credit (NMTC) news, supporters of the program aren't wasting any time in trying to push through legislation that they hope will keep the program running *and* make it more effective and efficient.
- The New Markets Tax Credit Coalition expects companion bills in the House and Senate to be introduced this week to make the NMTC a permanent part of the tax code.
- The legislation will also likely include
    - an adjustment for inflation for the annual credit authority, which means the 2015 rate would be approximately $4.8 billion and
    - a rule that will allow the NMTC to offset the alternative minimum tax, or AMT, that investments made after 2014.
- In the Senate, it's expected there will be four original cosponsors:
    - Roy Blunt, a Republican from Missouri.
    - Chuck Schumer, a Democrat from New York.
    - Tim Scott, a Republican from South Carolina.
    - Ben Cardin, a Democrat from Maryland.
- Sen. Blunt is a member of the Republican leadership.
- And Sens. Schumer, Scott and Cardin sit on the Finance Committee.
- Meanwhile, in the House, Reps. Pat Tiberi, a Republican from Ohio, and Richard Neal, a Democrat from Massachusetts, are expected to lead the bill.
    - Both Tiberi and Neal are senior members of the Ways and Means Committee and have been supporters of the NMTC for years.
- Rep. Tom Reed, a Republican from New York will also be an original co-sponsor.
    - In fact, Tiberi, Neal and Reed were all cosponsors of the New Markets Tax Credit Extension Act of 2014 during the last Congress.
- I'll share more details about the new NMTC bills as they become available.

California Legislators Introduce State NMTC Bill

- In state-level news, California assemblyman Eduardo Garcia (D-Coachella) along with assemblyman Jose Medina (D-Riverside) last week introduced legislation to establish a 39 percent state NMTC. For those of you who attended Novogradac's New Markets Tax Credit conference last month in San Diego, this is no surprise. We were fortunate to have California State Assemblyman Jose Medina share his intention to do this as part of his key note on Friday morning.
    - The legislation proposes up to $200 million in tax credits, with each dollar being matched by the same amount of private-sector investment in a low-income area.
    - The annual cap would be $40 million.
- If enacted, the California New Markets Tax Credit program would begin in 2016 and run through 2028.
- There are 14 states with state-level NMTC programs, including two of California's neighbors: Oregon and Nevada.
- State NMTCs encourage investment in struggling economic areas, since they are almost always twinned with the federal credit.
- The California bill is similar to one passed by both the state senate and state assembly last year.

    - Unfortunately, it was vetoed by Gov. Jerry Brown, who was reelected as governor, so he remains in office.
- Brown said that he endorses programs that encourage private investments in low-income areas, however, the bill's $200 million cost needed to be weighed against other priorities during the state budget process.
- So, it'll be interesting to see how far the bill gets in this legislative session.
- The next step for the bill is a policy committee assignment by the Assembly Committee on Rules.
- Those hearings start in April.
- We'll keep you posted on any progress.
- In the meantime, you can find the text of California A.B. 185 at www.newmarketscredits.com.
- If you have any questions about the New Markets Tax Credit program, please contact my partner Owen Gray in our San Francisco office at 415-356-8000.

HISTORIC TAX CREDIT NEWS

IRS Memo Addresses Pass-Through Structure Income

- In historic tax credit (HTC) news, a Chief Counsel Advice Memorandum released last week by the Internal Revenue Service, or IRS, gives some clarifying guidance on one of several issues currently facing the HTC preservation community.
- The memorandum addresses the amount of additional income required to be recognized by a lessee in an HTC transaction using a lease pass-through structure.
    - It is often referred to as section 50(d) income.
- Due to a somewhat confounding series of tax law changes, it was less than clear as to whether 50(d) income is based on 50 percent or 100 percent of the allowable HTCs.
    - Last week's memorandum states that the income is based on 100 percent of the HTC allowable.
- There remain several other 50(d) income questions posed by the tax credit community that are unanswered pending some promised guidance from Treasury.
- These questions include:
    - First, whether Section 50(d) income is a partner or partnership item,
    - Second, whether a partner gets basis in its partnership interest for 50(d) income it is allocated and, similarly, how the Section 50(d) income affects basis of a parent corporation in a wholly owned subsidiary.
    - Third, whether a tax credit investor partner's exit from its tax credit investment triggers acceleration of the yet unamortized income.
- There is some hope that IRS guidance could come before June 30.
- Last week's Chief Council Advice Memorandum was number 201505038.
- A copy of it is posted at www.historictaxcredits.com.
- For questions regarding the implications of this guidance, as well as our thoughts regarding the other issues or unanswered questions, I encourage you to contact the Novogradac office nearest you.

Rhode Island HTC Study Commissioned

- In other HTC news, I have an update on a state program we've been following closely for more than a year now.
    - I'm talking about the Rhode Island state HTC.
- The state senate passed a fiscal year 2015 budget last June that, unfortunately, did not include funding for the HTC program.
- However, a commission that is examining the impact of the scaled-back HTC did meet for the first time on Jan. 22.
- The purpose of the commission is to make a comprehensive study and issue findings regarding:
    - the challenges facing commercial development and the redevelopment of historic buildings in Rhode Island;
    - the benefits of rehabilitating these buildings; and
    - the best ways to spur the buildings' reuse when it is in the best interest of the state to do so.
- As listeners may know, the original Rhode Island state HTC was created in 2001 but was discontinued in 2008.

- The program was temporarily revived in 2013, when the General Assembly agreed to reissue $34.5 million in unused credits.
- There are currently 10 projects totaling nearly $16.9 million in development that are in the program's qualification process.
- Sen. Joshua Miller, who is the commission chair, said in an article in the Providence Journal that the commission will do more than study the impact of the state HTC.
    - He said the commission will also consider what other factors contributed to stalled construction activity in Rhode Island.
    - And, he said the commission will look at what kind of incentives neighboring states offer and consider whether Rhode Island would benefit from such incentives.
- The commission must report its findings to the Senate on or before Feb. 15.
- The commission itself will expire on April 30.
- The commission is called the Special Senate Commission to Study the Challenges Facing Commercial Development and the Redevelopment of Historic Buildings in Rhode Island.
- To learn more about the Rhode Island HTC, go to www.historictaxcredits.com.

Iowa Study Shows Value of State HTC

- In other state-level news, the Iowa Department of Revenue released a comprehensive report on its state HTC.
- The Iowa Historic Preservation and Cultural Entertainment District Tax Credit was enacted in the year 2000.
- It equals 25 percent of qualified rehabilitation expenditures for substantial rehabilitation of eligible commercial and residential property.
- The tax credit is fully refundable and transferrable.
- The Iowa credit cap started at $2.4 million and has increased over the years to the current cap of $45 million.
- The study said that more than $348 million in state HTCs have been reserved for 758 projects over the past 15 years.
- That covers 52 of Iowa's 99 counties.
- The study looked more closely at the past five years, since that was when the survey was introduced.
- Among the properties in the detailed study, the new present value of property tax revenues *after* rehabilitation was expected to be about 43 percent more than the tax credit awards issued, meaning a net gain to the state coffers.
- And it was good for state businesses, too.
- During that time, more than 84 percent of the development expenditures were on Iowa-sourced goods and services.
- The study also showed that the average annual wages for employees at HTC properties went up 21.3 percent after the rehabilitation, compared to the average growth rate of less than 15 percent in the state as a whole over the time period of the study.
- The state tax credit program was modified in last year's legislative session, changing from a lottery-based award system to a scoring system based on project readiness, rules-based assessments.
- Unclaimed credits can now also be awarded to different projects.
- Iowa is one of 35 states with their own HTC programs.
    - Of those, 17 states have the same 25 percent rate as Iowa.

- The report is called "Iowa's Historic Preservation and Cultural and Entertainment District Tax Credits Program Evaluation Study."
- You can find a copy of the report and more information about other state HTC programs are available at www.historictaxcredits.com.
- For more information about the Iowa HTC program, contact my partner, Tom Boccia, in our Cleveland, Ohio office.

RENEWABLE ENERGY TAX CREDIT NEWS

Sen. Bennet Discusses Importance of the PTC

- In renewable energy tax credit (RETC) news, I'd like to discuss recent comments that Sen. Michael Bennet of Colorado made regarding the production tax credit, or PTC.
- In a Q&A with the Greeley Tribune in Greeley, Colo., Sen. Bennet discussed the importance of extending the PTC.
- Bennet said that extension of the program would give the industry much-needed predictability.
  - He added that the PTC doesn't just help build renewable energy facilities, but it helps stabilize an entire manufacturing industry.
- Sen. Bennet said that industry growth can occur in two ways:
  - One, if the PTC is extended.
  - And two, if the tax code is permanently reformed to support the renewable energy sector, including wind.
- Sen. Bennet has been a strong supporter of the renewable energy industry for a number of years.
- In fact, he and Sen. Dean Heller of Nevada were recently named co-chairs of the Senate Finance Committee's working group on community development and infrastructure.
- To learn more about the PTC, go to www.energytaxcredits.com.

Oklahoma Legislators Introduce Bills to Reduce RETCs

- In state-level news, two Oklahoma legislators introduced legislation yesterday that would reduce three state tax credits related to wind power.
  - The legislation was introduced both in the Oklahoma's senate and house, and would establish a $6 million cap for the zero emissions tax credit.
  - Its authors are state Rep. Earl Sears and state Sen. Mike Mazzei.
- The two legislators say the state wind power incentives are too generous and must be modified.
- The legislation would gradually reduce the zero emissions tax credit for new industrial wind facilities from a half-cent per kilowatt hour in the first year to one-tenth of a cent in the fifth year.
- It would also eliminate the ability of wind facilities to use the state's investment and new jobs tax credit.
- Another provision would adjust the state's property tax policy to remove wind manufacturing's exemption from the jobs-creation requirement that other industries must meet.
- Oklahoma, I should note, generates the fourth-most electricity from wind of any state.
- The state's tax credit reimbursement costs went from $41 million in 2002 to $64 million in 2013, with half of that rise coming from wind farms.
  - However, Jeff Clark of the Wind Coalition testified in October to the Oklahoma state senate that there has been more than $6 billion in capital investment in Oklahoma from the state's $120 million investment over those years.
- Legislation in Oklahoma must be assigned to committees, and then passed by each house of the legislature.

- As is typical, the differences in the bills must be worked out and both houses must pass it again before the bill goes to the governor for his signature. Once the bill texts are available, they will be posted at www.energytaxcredits.com.