



**MEMORANDUM IN SUPPORT OF
S.752A/A.6420A (Montgomery/Walker)**

In Relation to expanding the tax credit cap provided for solar energy system equipment

March 2020

The New York Solar Energy Industries Association (NYSEIA) supports S.752A/A.6420A and urges its immediate passage. This bill would extend the tax credit provided for residential solar energy systems to home battery systems and increase the cap from \$5,000 to \$10,000 for projects placed in service on or after September 1, 2020 to maximize the effectiveness of the expanded credit.

Since 2016, residential solar installations in New York have declined by 35 percent, and home battery deployment has significantly lagged other states. Home batteries are a key enabling technology for solar energy and essential for using clean energy at night, but despite their critical role in reducing emissions, batteries are not currently eligible for the solar tax credit.

If passed, this bill would extend the existing solar tax credit to home batteries and allow New Yorkers who place solar energy equipment on their property on or after September 1, 2020 to claim the personal income tax credit up to \$10,000. This bill is a simple extension of a law that effectively compensates New Yorkers who take the initiative to purchase clean energy.

Solar and battery systems are key technologies for controlling air pollution and protecting public health in New York. They are also an important part of our response to climate change, and their continued growth is critical for achieving our state's distributed solar, energy storage, electric sector decarbonization, and economy-wide emissions reductions goals mandated by the Climate Legislation and Community Protection Act (CLCPA) of 2019.

Bill S.752A will also benefit businesses across New York State. The solar industry is at the vanguard of job creation in New York, employing more than 10,000 workers and growing rapidly. By making it more financially viable to install solar and energy storage, this expanded tax credit will incentivize the development of thousands of solar projects and accelerate the transition to a clean energy economy.

For all these reasons, NYSEIA supports S.752A/A.6420A and urges its prompt passage. For information about this memorandum of support, please contact Shyam Mehta, Executive Director, NYSEIA, at shyam@nyseia.org.

Founded in 1994, New York Solar Energy Industries Association (NYSEIA) is the only statewide membership and trade association dedicated solely to advancing solar energy use and deployment in New York State. NYSEIA proudly represents hundreds of businesses across New York State that employ thousands of workers throughout the solar value chain. Learn more at www.nyseia.org.