



## MEMORANDUM IN SUPPORT OF Expanding the New York State Solar Energy System Equipment Tax Credit

March 24, 2023

New York Solar Energy Industries Association (NYSEIA) strongly supports an expansion of the [Solar Energy System Equipment Tax Credit](#) to make solar more affordable for all New Yorkers, particularly low-income families and seniors. This important policy proposal was included in Part HH of the Senate's one-house Revenue Article VII Bill. The proposal needs to be amended to include updated refundability language, so it is accessible to senior citizens/retirees and low-income families. **NYSEIA, its member companies, and its allies in the environmental justice and housing community are advocating for New York to include this important proposal in the final budget.** This proposal would advance equity, resilience and affordability by:

- Making the solar tax credit refundable for low-to-moderate income households and those who live in Disadvantaged Communities
- Removing an arbitrary system size cap for residents living in co-ops and condominiums
- Including energy storage as eligible equipment
- Increasing the maximum tax credit amount to \$10,000 to adjust for inflation (first cap increase since 2006) and energy storage costs while maintaining the 25% system cost limit

Making the solar tax credit refundable for low-to-moderate income New Yorkers will increase equitable access to solar for the New Yorkers who are most impacted by high energy prices, including senior citizens/retirees and working families. This is particularly important in light of New York's ambitious electrification efforts and recent increases to electricity costs. Raising the co-op/condo system size limit will allow urban homeowners to equally benefit from this important solar incentive.

Clarifying that energy storage equipment is eligible for the tax credit will support increased energy storage adoption. Solar + storage systems provide unique benefits to homeowners and to all New Yorkers. These systems can be aggregated into virtual power plants that reduce New York's reliance on polluting peaker plants while minimizing costly upgrades to the electric grid and providing resilient, backup power to the homeowners.

Finally, raising the per household tax credit cap to \$10,000 will allow more New Yorkers to afford solar power and accelerate solar adoption across the State, creating jobs and strengthening our economy.

This proposal has a modest cost, and it will meaningfully accelerate progress toward New York's ambitious clean energy, equity and decarbonization goals outlined the Climate Leadership and Community Protection Act. It will also allow New York to leverage increased federal and private clean energy investment, support local businesses, and strengthen New York's workforce by creating thousands of new jobs in the solar industry. For these reasons, NYSEIA supports the State's efforts to expand the Solar Energy System Equipment Tax Credit and urges the adoption of this proposal in the final 2023-2024 budget. For information about this memorandum of support, please contact Noah Ginsburg, Executive Director, at 347-509-6044, [noah@nyseia.org](mailto:noah@nyseia.org).