

## TALKING POINTS

# Expanding the Solar Tax Credit Cap

### Relevant Legislation

NY Senate: S.752 (passed)  
**NY Assembly: A.6420 (pending)**

### Proposed Increase

2006 level: \$5,000  
 2019 level: \$10,000

**Summary:** Bill A.6420 would increase the tax credit cap for solar energy equipment expenditures, raising it to \$10,000 for projects placed in service on or after September 1, 2019. Current law states that individual taxpayers can claim 25 percent of qualified solar energy equipment expenditures against their personal income tax, up to a cap of \$5,000. **This tax credit has not been increased in 13 years.** Bill A.6420 simply updates and expands a law that has been effective in compensating New Yorkers who take the initiative to invest in clean energy.

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- Solar energy is a key technology for controlling air pollution and protecting public health in New York. Healthy people are the foundation of a thriving economy.
  - Solar energy is an important part of our urgent response to climate change. Mitigating the worst effects of climate change will be more difficult and more expensive the longer we wait.
  - Governor Cuomo wants 70 percent clean electricity by 2030 and 100 percent clean energy by 2040, but the state cannot clean up the grid on its own—the transition to clean energy requires participation from home and building owners.
  - An expanded solar equipment tax credit would motivate thousands of New Yorkers to invest in solar projects and make it possible for New York to reach its clean energy goals.
  - Most residential solar installations cannot currently take advantage of the full 25 percent credit on their personal tax liability due to the \$5,000 cap. A higher cap would incentivize more people to go solar and to install larger solar arrays to fulfill their energy needs.
  - A higher solar tax credit would benefit businesses across New York State. The solar industry employs about 10,000 New Yorkers with job growth of 8 percent in 2018. According to Vote Solar, the industry will generate at least 11,000 additional jobs in the next six years alone.