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**MEMORANDUM IN SUPPORT OF  
A.5646 (Walker) / S.4714 (Montgomery)  
In Relation to a Solar Energy Tax Credit Cap Increase**

June 15, 2018

The Alliance for Clean Energy New York (ACE NY) supports A.5646/S.4714 and urges its immediate passage. This extender bill would increase the tax credit cap provided for solar energy system equipment from \$5,000 to \$10,000 for projects placed in service on or after September 1<sup>st</sup>, 2017.

Current law states that individual taxpayers are allowed a credit against the personal income tax equal to 25% of qualified solar energy system equipment expenditures. The credit shall not exceed \$3,750 for qualified solar energy equipment placed in service before September 1<sup>st</sup>, 2006 and it shall not exceed \$5,000 for qualified solar energy equipment placed in service on or after September 1<sup>st</sup>, 2006.

If passed, this bill would allow New Yorkers who place solar energy equipment on their property on or after September 1<sup>st</sup>, 2017 to claim the 25% personal income tax credit up to \$10,000. This bill is a simple extension of the law to ensure the State is effectively compensating New Yorkers who take it upon themselves to utilize clean energy and advance the State's clean energy goals.

If the State is to achieve the environmentally-essential goal of 50% renewable energy by 2030, laws to encourage clean energy production such as this, need to be extended and enhanced over time. From 2011 to 2016, the rate of New York residential solar installations grew, however, there was a drop in the number of installations in 2017.<sup>1</sup> In order to continually see the rate of installations increase, this law and other clean energy-promoting laws need to continue to properly reward New Yorkers.

For the above reasons, the Alliance for Clean Energy New York supports this legislation. For more information contact Anne Reynolds, Executive Director, at 518-432-1405.

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<sup>1</sup> "New York Solar." *SEIA*, June 2018, [www.seia.org/state-solar-policy/new-york-solar](http://www.seia.org/state-solar-policy/new-york-solar).