History of the 30% Solar Investment Tax Credit

- **Energy Policy Act of 2005** created the principal 30% tax credit for investments in solar energy property:
  - Residential: Section 25D of the Internal Revenue Code
  - Commercial: Section 48 of the Internal Revenue Code
- Originally set to expire at the end of 2006, but the Tax Relief and Health Care Act of 2006 extended ITC for one additional year
- The Emergency Economic Stabilization Act of 2008 extended the ITC for eight years. It also eliminated a $2,000 cap for residential solar electric installations and permitted utilities and companies paying the alternative minimum tax (AMT) to qualify for the credit.
- **30% ITC currently in place through the end of 2016 before reverting to a 10% ITC.**
The ITC Is an Economic Engine

• There are now over 119,000 solar workers in the U.S., a 13.2% increase over 2011 employment totals*
• The value of U.S. solar installations was $11.5 billion in 2012, up from $8.6 billion in 2011

*(The Solar Foundation 2012 National Solar Jobs Census)
ITC Driving Installation Growth

New U.S. PV Installations

ITC Years: 77% CAGR

30% ITC Implemented

PV Installations (MW)

Residential
Commercial
Utility
Solar More Affordable Than Ever

- System prices fell by 27% in the past year alone
5,600 Solar Companies Operating Across the U.S.