

Solar Energy Rebates available to Massachusetts Residents:

Small Renewables Initiative (SRI) grants

Solar Electric, Wind, Small Hydropower. Available from the Mass Technology Collaborative (MTC) - http://www.masstech.org/RenewableEnergy/sm_renew/small_renew_block3.pdf
(the grants are now slightly lower than this says, money is reduced over time)

State residential tax credits

For BOTH solar electric and solar hot water systems.

15% of the solar system cost *after* any grants are subtracted. Amount reduces your total tax owed. The maximum credit you can take is \$1,000, but if you don't owe that much tax, the balance can be rolled over into the following year(s). Website:

http://www.dsireusa.org/library/includes/incentive2.cfm?Incentive_Code=MA06F&state=MA&CurrentPageID=1&RE=1&EE=1

Fill out a state tax form - http://www.dor.state.ma.us/Forms/IncTax05/addls/sch_ec.pdf

Federal residential tax credits:

An individual can take the 30% credit up to a \$2,000 cap for photovoltaics, while also taking the credit up to a separate \$2,000 cap for solar water heating. The credit may be carried over to future years. The amount reduces your total tax owed. The maximum credit you can take is \$2,000, but if you don't owe that much tax, the balance can be rolled over into the following year(s). IRS tax form is not yet available.

Credits are available for systems "placed in service" between 1/1/06 and 12/31/07. If the installation is on a new home, the "placed in service" date is the date of occupancy by the homeowner. Systems that have already been installed are not eligible.

Residential Energy Efficiency Tax Credit:

10% of cost of building envelope improvements; 100% for qualified energy property (heating, cooling, water heaters). Maximum Incentive: no more than \$500 credit for all energy property and envelope improvements for all tax years. For more information:

http://www.dsireusa.org/library/includes/incentive2.cfm?Incentive_Code=US43F&State=Federal¤tpageid=1&ee=1&re=1

Federal business/corporate tax credits

For equipment placed in service from January 1, 2006 until December 31, 2007, the credit is 30% for solar, solar hybrid lighting, and fuel cells, and 10% for micro-turbines. The geothermal credit remains at 10%. Maximum: \$500 per 0.5 kW for fuel cells; \$200 per kW for microturbines; no maximum specified for other technologies.

Credits for systems "placed in service" between 1/1/06 and 12/31/07. For more information: http://www.dsireusa.org/library/includes/incentive2.cfm?Incentive_Code=US02F&State=Federal¤tpageid=1&ee=1&re=1

Disclaimer: This information is intended to serve as a guide. CET does not possess tax expertise and you should seek help from a qualified professional in this field.

