

Florida Solar Energy System Incentives Program

As part of the 2006 Florida Energy Act, the Solar Energy Systems Incentives Program is providing rebates for purchase and installation of solar energy systems in homes and businesses.

Any resident of Florida who purchases and installs a new solar energy system from July 1, 2006, through June 30, 2010, is eligible for a rebate on a portion of the purchase price of that solar energy system. The system must meet one of the following requirements:

- Two kilowatts or larger for a solar photovoltaic system; or
- A solar energy system that provides at least 50 percent of a building's hot water consumption for a solar thermal system; or
- A solar thermal pool heater

Solar Photovoltaic System Incentive Qualifications

A solar photovoltaic system qualifies for a rebate if:

- The system is installed by a state-licensed master electrician, electrical contractor, or solar contractor.
- The system complies with state interconnection standards as provided by the commission.
- The system complies with all applicable building codes as defined by the local jurisdictional authority.

Rebate Amounts for Solar Photovoltaic System

The rebate amount shall be set at \$4 per watt based on the total wattage rating of the system. The maximum allowable rebate per solar photovoltaic system installation shall be as follows:

- Twenty thousand dollars for a residence.
- One hundred thousand dollars for a place of business, a publicly owned or operated facility, or a facility owned or operated by a private, not-for-profit organization, including condominiums or apartment buildings.

Solar Thermal System Incentive Qualifications

A solar thermal system qualifies for a rebate if:

- The system is installed by a state-licensed solar or plumbing contractor.
- The system complies with all applicable building codes as defined by the local jurisdictional authority.

Rebate Amounts for Solar Thermal System

Authorized rebates for installation of solar thermal systems shall be as follows:

- Five hundred dollars for a residence.
- Fifteen dollars per 1,000 Btu up to a maximum of \$5,000 for a place of business, a publicly owned or operated facility, or a facility owned or operated by a private, not-for-profit organization, including condominiums or apartment buildings. Btu must be verified by approved metering equipment.

Solar Thermal Pool Heater Incentive Qualifications

A solar thermal pool heater qualifies for a rebate if the system is installed by a state-licensed solar or plumbing contractor and the system complies with all applicable building codes as defined by the local jurisdictional authority.

Rebate Amount for Solar Thermal Pool Heater

Authorized rebates for installation of solar thermal pool heaters shall be \$100 per installation.

Be sure to check for local government and utility incentives at www.dsireusa.org.

EPAct2005: Tax Credit Opportunities for Solar and Energy Efficiency

The Energy Policy Act of 2005 (EPAct 2005) is the first effort of the United States government to address U.S. energy policy since the Energy Policy Act of 1992. Among many other things, the 1724 page law provides new tax incentives for a number of solar and energy efficiency measures.

Solar Photovoltaic and Hot Water Systems

This provision offers tax credits to individuals for residential solar energy systems.

- For solar hot water systems, the allowable tax credit is 30% of the qualified solar system expenditures up to a maximum tax credit limitation of \$2,000.
- For solar photovoltaic (PV) systems, the allowable tax credit is 30% of the qualified PV system expenditures up to a maximum tax credit limitation of \$2,000.

To be eligible for the solar hot water system tax credit, the system must be certified by the Solar Rating and Certification Corporation (SRCC) or the Florida Solar Energy Center (in the case of systems sold in Florida) and half of the energy used by the system must be derived from the sun. There is no qualification provided for PV systems (except in Florida, where systems must be rated and certified by the Florida Solar Energy Center). Individuals may claim tax credits for either or both types of solar systems.

The incentives apply to equipment placed in service during 2006 through December 31, 2008. The IRS form to claim the credit is available at <http://www.irs.gov/pub/irs-pdf/f5695.pdf> [331K]. Note that this is for non-business use of your home.

In addition, the provisions of the bill substantially increases the business investment tax credit from 10% to 30%. This tax credit is available to businesses that purchase solar thermal and PV systems during calendar years 2006 – 2008. In Florida, such systems would be subject to the requirement that solar systems manufactured or sold in the state be certified by the Florida Solar Energy Center. This business investment tax credit for solar equipment does not have a maximum credit limit.

IRS rules for qualification of this tax credit may be found in IRS Notice 2006-26.

Additional information on solar systems that may qualify for these tax credits may be found at the following Web sites:

Solar hot water systems: www.fsec.ucf.edu/solar/ **_Photovoltaic (PV) systems:** www.fsec.ucf.edu/pvt/

Be sure to check for local government and utility incentives at www.dsireusa.org.