



**MEMORANDUM IN SUPPORT OF
S.752 (Montgomery)/ A.6420 (Walker)**

In Relation to increasing the tax credit cap provided for solar energy system equipment

May 2019

The New York Solar Energy Industries Association (NYSEIA) supports A.6420 and urges its immediate passage. This 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, 2019.

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, which shall not exceed \$5,000 for qualified solar energy equipment placed in service on or after September 1st, 2006. The allowable personal tax credit for solar energy equipment has not been increased since 2005 despite the fact that solar energy purchase and installation costs remain higher than many New Yorkers can afford.

If passed, this extender bill would allow New Yorkers who place solar energy equipment on their property on or after September 1, 2019 to claim the 25% personal income tax credit up to \$10,000. This bill is a simple extension of the law to ensure that New York 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 goal of 70% renewable energy by 2030 as recently targeted by the Governor, laws to encourage clean energy production such as this need to be extended and enhanced over time. Given that solar energy currently makes up less than 2 percent of New York's electricity generation¹, it is essential that this law properly rewards New Yorkers for contributing to the State's clean energy and decarbonization targets.

For all these reasons, NYSEIA supports S.752/A.6420 and urges its prompt passage.

For information about this memorandum of support, please contact Shyam Mehta, Executive Director, NYSEIA, at shyam@nyseia.org.

Founded in 1994, New York Solar Energy Industries Association (NYSEIA) is the only statewide membership and trade association dedicated solely to advancing solar energy use and deployment in New York State. NYSEIA proudly represents hundreds of businesses across New York State that employ thousands of workers throughout the solar value chain. Learn more at www.nyseia.org.

¹ "The State of New York Solar in 2019 and Beyond", NYSEIA.