



# PLAN IT SOLAR

EDUCATION - DESIGN - SALES - SERVICE  
17487 Penn Valley Dr Bldg A Penn Valley, CA (530) 432-3776

## Quick Guide to Government Solar Incentives

### California Solar Rebates

[www.gosolarcalifornia.ca.gov](http://www.gosolarcalifornia.ca.gov)

Currently PG&E offers a cash rebate on new solar electric systems, covering 5% to 35% of the total costs. Rebate levels vary by install type: residential *retrofits* receive \$0.35/W and residential *new construction* qualifies for \$2.50/W. The non-residential rebate program has ended as of 12/23/10. Note: the rebate program is structured so that rebates decline in value over time. At least once per year the rebates drop down to a new lower dollar-per-watt level, and oftentimes they drop the levels twice per year. See [www.csi-trigger.com](http://www.csi-trigger.com).

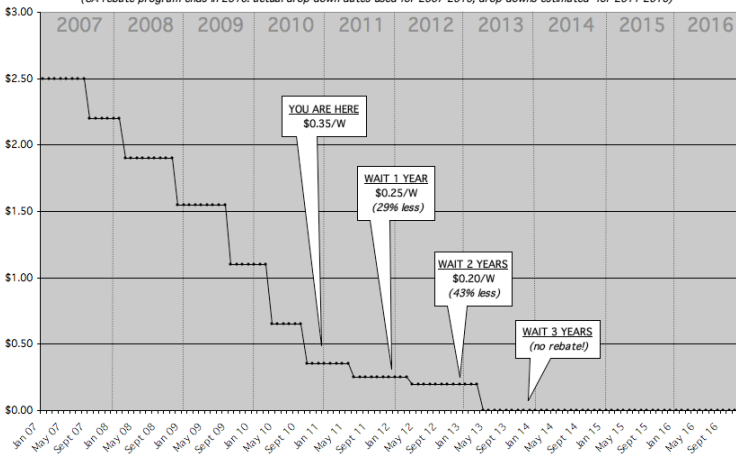
Because the rebate program is a two-part process, systems do not have to be installed, or fully paid for, in order to have a rebate "reserved" in your name at today's \$/W rebate level. Once the rebate is reserved the installation must be completed within 12 months, and even if the rebate levels drop over that year, you will still claim the higher rebate. The only commitment to reserve a rebate is a 10% deposit.

**\*\*\* WARNING!!! THE NEXT REBATE DEADLINES ARE JUST AROUND THE CORNER!!! \*\*\***

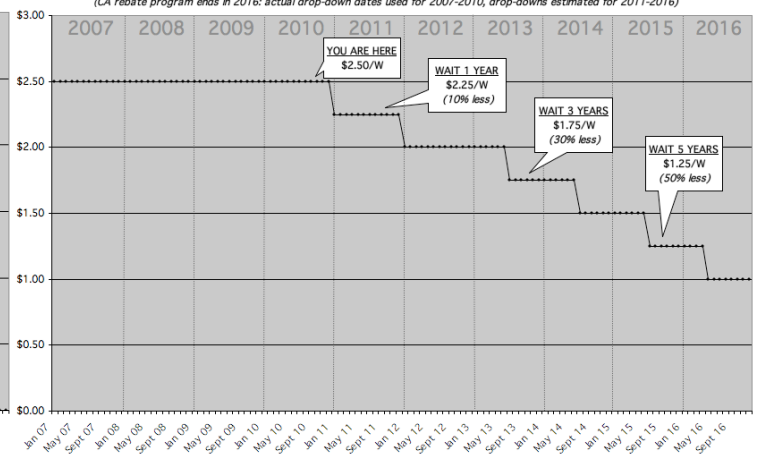
The \$0.35/W rebate level *for residential retrofit installs* is projected to drop down sometime in Spring 2011. Submitting a complete rebate reservation application months or weeks before a drop-down deadline is the best way to have your solar rebate reserved at the highest possible level. Please call us for details on how to beat the next rebate drop.

### CA Declining Rebate Levels: Past History & Future Predictions (residential & non-residential)

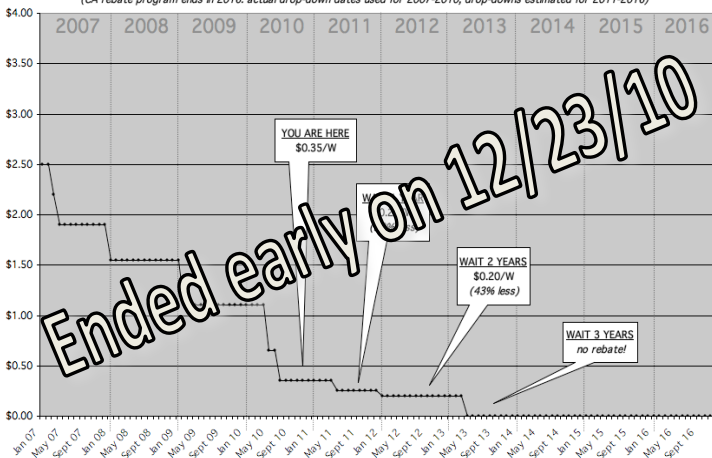
PG&E's Solar Rebate Levels for **RESIDENTIAL** Retrofits (in \$/watt)  
(CA rebate program ends in 2016: actual drop-down dates used for 2007-2010, drop-downs estimated for 2011-2016)



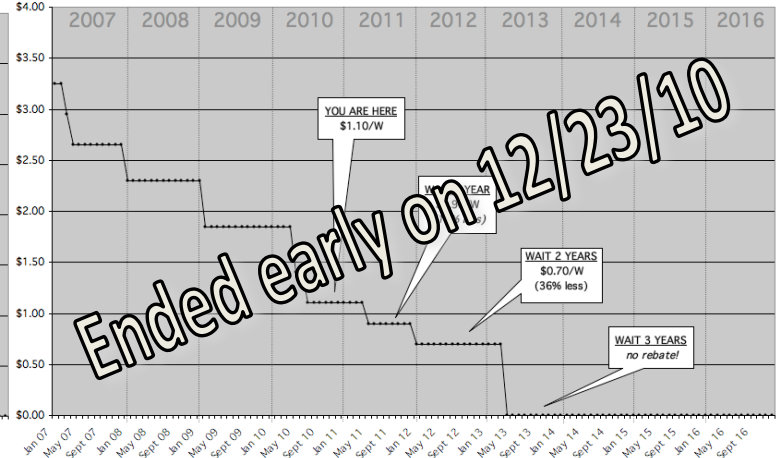
PG&E's Solar Rebate Levels for **NEW SOLAR HOMES** (in \$/watt)  
(CA rebate program ends in 2016: actual drop-down dates used for 2007-2010, drop-downs estimated for 2011-2016)



PG&E's Solar Rebate Levels for **COMMERCIAL** PV Projects (in \$/W)  
(CA rebate program ends in 2016: actual drop-down dates used for 2007-2010, drop-downs estimated for 2011-2016)



PG&E's Solar Rebate Levels for **NON-PROFIT** PV Projects (in \$/W)  
(CA rebate program ends in 2016: actual drop-down dates used for 2007-2010 drop-downs estimated for 2011-2016)





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## **Federal Tax Credits available until 2016**

[www.seia.org/cs/solar\\_tax\\_policy](http://www.seia.org/cs/solar_tax_policy)

**For most solar projects, the federal government offers a 30% Solar Energy Tax Credit for property owners that install a PV system, whether on- or off-grid.** The credit is usually equal to 30% of the *post-rebate* total installed cost. If the solar tax credit is more than you can use for the year of installation, any excess tax credit can be carried forward: residential carries forward until 2016, commercial carries forward 20 years. The average tax credit for a home PV system is around \$5,000-\$10,000 or more. Also available is an additional 30% tax credit for residential solar hot water systems.

## **Property Tax Exemption for Installs Done Through 2016**

[www.dsireusa.org](http://www.dsireusa.org), then click on CA and scroll down to Property Tax Exemption

**As an extra benefit, by law (CA Tax Code Section 73) the increased property value from a solar system installed before January 1<sup>st</sup>, 2017 is exempt from property tax.** That's right: *increased property value without increased property tax.* According to the National Association of the Remodeling Industry, *Appraisal Journal*, the Electric & Gas Industries Association, Wells Fargo Bank, SMUD, as well as many local appraisers, the addition of a utility-connected solar electric system will roughly increase a property's value equal to the *post-rebate* value of the system. The increased resale value of a solar property can allow a property owner to recoup the initial cost of the system and possibly more, making early payback happen when the property is sold! Plan It Solar maintains a list of solar-knowledgeable appraisers to help ensure that you receive the proper return on your solar investment, if and when you sell your solar property.

## **For Businesses Only: Accelerated 5-yr Depreciation**

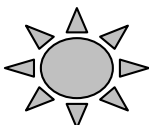
[www.dsireusa.org](http://www.dsireusa.org), then click on FED and scroll down to Corporate Depreciation

**Solar energy systems for businesses qualify for the 5-year Modified Accelerated Cost Recovery System (MACRS) depreciation deductions.** Currently solar energy systems are classified as 5-year properties. The state of California also offers accelerated depreciation on commercial solar installations, with a difference acceleration model for corporate and non-corporate businesses. Check with a qualified tax preparer or accountant for accurate advice. See also Section 168 of the Internal Revenue Code and IRS Form 4562.

## **For Businesses Only: New Federal Grants for 2009-2011**

[http://treasury.gov/recovery/docs/Grants\\_Specified-Energy-Property.pdf](http://treasury.gov/recovery/docs/Grants_Specified-Energy-Property.pdf)

**The federal government currently offers businesses a tax credit equal to 30% of the pre-rebate cost of installing a solar system, but that tax credit can be waived in order to receive a one-time federal grant equal to the tax credit.** Grants are only available for systems that have incurred at least 5% of the total installation cost before the end of 2011. Please call our Commercial Designer, Robin Harp, at (530) 432-3776 for further details on the 2011 federal solar grant.



**For additional information, visit these websites:**

[www.gosolarcalifornia.org](http://www.gosolarcalifornia.org)  
[www.dsireusa.org](http://www.dsireusa.org)

