

Measure Will Boost Growing Solar Industry In New York

Washington, DC - Continuing his effort to further establish New York's emerging solar industry, which he helped begin and foster, Congressman Maurice Hinchey (D-NY) today helped the House pass legislation that will provide significant tax credits for solar research and development as well as for the purchase of solar products. The Renewable Energy and Job Creation Act also provides an array of tax relief for business, teachers, and families across the country.

"If we are to succeed at developing the solar energy industry here in New York, we must provide the necessary tax incentives to make the research and development of solar products more affordable, while also lowering the cost of those items for consumers," Hinchey said. "Solar energy has the potential to rid our country of its dependence on oil and help solve the energy crisis, but we must provide the right set of tax credits and deductions to spur innovation and make solar panels and other solar products more affordable for families and businesses throughout the United States. This bill helps move the ball forward in an important way by providing the right blend of tax incentives for the manufacturing and consumer side of the solar industry."

The Renewable Energy and Job Creation Act makes new investments that will help reduce the United States' dependence on foreign oil, increase renewable electricity production, create jobs and protect the environment. The bill extends and expands tax incentives for renewable electricity, energy and fuel, as well as for plug-in hybrid cars, and energy efficient homes, buildings, and appliances. The measure is similar to one that the House passed in February. The Senate, however, blocked that measure because the renewable energy tax incentives were paid for by eliminating federal subsidies for oil companies. While Hinchey was disappointed that the previous renewable energy tax credit measure ultimately died, he was pleased that this new version of the renewable energy tax incentives bill is likely to be approved in the Senate. The bill passed today pays for the tax incentives by closing loopholes that allow corporations and executives to avoid U.S. taxes by shipping jobs and investments overseas.

The bill focuses aggressively on helping to boost solar energy research and development while

also making it more affordable for consumers to purchase solar panels for their homes. The bill extends a 30 percent tax credit on solar products purchased by consumers and doubles the annual cap to \$4,000. The measure also extends the business solar energy tax credit at a level of 30 percent for six years, a long-term action that will spur investments and in turn make solar equipment more competitive and less costly.

"With gas prices now at \$4 per gallon, I think it's finally settling in that our country's reliance on oil must wind down and eventually end, while our use of clean, renewable energy must dramatically increase," Hinchey said. "It is a constant battle to compete with wealthy oil corporations like ExxonMobil, but these tax measures help level the playing field somewhat so that solar and other forms of renewable energy have an opportunity to become more mainstream."

Hinchey helped organize and create The Solar Energy Consortium (TSEC) in upstate New York, which is a new industry-driven, non-profit organization that provides leadership, organization, resources, and support for the establishment of a major solar energy industry cluster in New York. TSEC is the first organization of its kind for the photovoltaic industry, encompassing research and development, manufacturing facilities, industry promotion and market development. Earlier this year, TSEC partnered with its first major manufacturing partner, Prism Solar Technologies, which plans to bring more than 400 new jobs to Ulster County within 4-5 years. TSEC has also partnered with six research universities throughout New York to work on the research needed to improve solar technology.

In order to advance TSEC, Hinchey helped secure \$1.476 million in federal funds to help bring companies such as Prism Solar Technologies into the consortium. The congressman also secured final approval of \$3.2 million for C9 Corporation to conduct solar research and development in conjunction with TSEC. Additionally, Hinchey helped convince Empire State Development to contribute a \$1.5 million grant to attract solar energy companies to TSEC. Subsequently, the recently approved New York State budget includes \$6.5 million for TSEC. Ulster County has also committed \$200,000 to the consortium.

In addition to the renewable energy provisions, the bill also supports businesses and provides tax relief to millions of American families. The bill extends the research and development tax credit to spur American innovation and business investment, and cuts taxes for millions of Americans, including teachers, college students and families in states with no income tax. The bill would expand eligibility for the \$1,000 refundable child tax credit and provide tax relief to homeowners who do not itemize their deductions by permitting them to deduct up to \$700 of property taxes in addition to their standard deduction.

Hinchey Helps House Pass Bill With Solar Energy Tax Credits

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