



Solar Energy Incentives

Central Arizona

Utility Incentives

APS – Solar Partner Incentive Program

Applies To: Residential customers of APS

System Type: Photovoltaic (solar electric), and solar thermal water heating systems (SDHW) for on and off grid residential systems.

APS customers can receive a rebate of \$3 for each DC Watt of rated solar electric power installed in a grid-tied application (or 50% of the total system cost – whichever is less) up to 10,000 Watts. For an off-grid application the rebate is \$2 for each DC Watt of rated solar electric power up to 5,000 Watts. You must be an existing APS customer or your property must be located in APS service territory. A licensed electrical contractor must install the system in order to qualify for the incentive.

http://www.aps.com/main/green/choice/choice_13.html

New solar water heater installations must meet OG-300 ratings. Systems cannot exceed 10,000 kW hours per year. Payment is based on a system's yearly kW hour rating of 0.75 cents per kW hour up to 50% of system cost.

Customer receives payment directly from APS or can assign it over to the installer once the system has been activated. Funding is limited and a reservation process is in place to guarantee funds for those customers pursuing projects. Projects must be installed within 180 days of acceptance by the utility. Participants are required to contribute a minimum of 15 percent of the actual system cost.

http://www.aps.com/main/green/choice/choice_14.html

Solar Day lighting 0.20 cents per kWh estimated first year savings.

For more information visit -

<http://dsireusa.org/library/includes/map2.cfm?CurrentPageID=1&State=AZ&RE=1&EE=1>

SRP – EarthWise Solar Energy Program

Applies To: Residential customers of SRP

System Type: Photovoltaic (solar electric), and solar thermal water heating systems (SDHW), for on and off grid residential systems.

SRP customers can receive a rebate of \$3 for each DC Watt of rated solar electric power installed in a grid-tied application (or 50% of the total system cost – whichever is less) up to 20,000 Watts. For off-grid application the rebate is \$3 for each DC Watt of rated solar electric power. A licensed electrical contractor must install the system in order to qualify for the incentive.

New solar water heater installations must meet OG-300 ratings. Systems cannot exceed 10,000 kW hours per year. Payment is made on a systems yearly kW hour rating of .50 cents per kW hour.

Customer receives payment directly from SRP once the application has been processed and approved. Funding is limited and a reservation process is in place to guarantee funds for those customers pursuing projects. Projects must be installed within 180 days of acceptance by the utility.

For more information visit - <http://www.srpnet.com/environment/earthwise/solar/default.aspx>

Government Incentives

State of Arizona – Personal Income Tax Credit

Applies To: Retail sale of solar systems used in residential applications

System Types: Any solar energy devices including systems or series of mechanisms which collect and transfer solar generated energy.

Amount: 25% of system cost; to a \$1,000 maximum; one-time use per house. Unused credits carry forward up to 5 years.

For more information visit - <http://www.revenue.state.az.us/brochure/543.pdf>

State of Arizona – Sales Tax Exemption

Expenditures for Solar Energy Devices are now exempt from Arizona State Sales Tax. (Arizona House Bill # 2429 - <http://www.dsireusa.org/documents/Incentives/AZ08F.pdf>)

Note: Municipalities do not exempt solar energy devices from sales tax.

State of Arizona - Solar Energy Property Tax Exemption

Solar Energy Devices add zero value to property value for property tax assessment purposes. (Arizona House Bill #2429, page 25 lines 16-18, see link above).

Federal Tax Credits – Personal Income Tax Credit

Applies To: Residential Properties

System Types: Solar Hot Water, Photovoltaic (Solar Electric), Wind, Fuel Cells, Geothermal Heat Pumps. And other Solar

Amount: 30% of a system cost no cap except for Solar Hot Water that is capped at \$2,000

Solar hot water heating must provide at least 50% of annual hot water needs. Not to be used for Hot Tubs or Swimming pools. Solar Hot Water systems must be OG-300 certified in Arizona.

The Tax Credit can only be used on a dwelling unit located in the USA and is the residence of the taxpayer.

If the federal tax credit exceeds tax liability, the excess amount may be carried forward to the succeeding taxable year.

Consumers who receive other incentives are advised to consult with a tax professional regarding how to calculate this federal tax credit.

For more information visit - http://seia.org/galleries/pdf/ITC_Frequently_Asked_Questions_10_9_08.pdf

http://dsireusa.org/library/includes/incentive2.cfm?Incentive_Code=US37F&state=us&CurrentPageID=1&RE=1&EE=1

****For Solar Energy resources, visit the AZ Solar Center web site – www.azsolarcenter.com**