

Tax Benefits of the Inflation Reduction Act for Commercial Solar

Signed into law on August 16, 2022, the Inflation Reduction Act is the most significant federal investment in clean energy in U.S. history. It is a \$370 billion investment, nearly three-quarters (\$270 billion) of which is delivered through tax incentives for renewable energy.

What is the Solar Investment Tax Credit (ITC)?

The Inflation Reduction Act restores and increases the Solar Investment Tax Credit (ITC). With the passing of IRA, businesses that install solar photovoltaic (PV) systems are eligible to receive a tax credit that can be used to directly offset federal taxes owed on a dollar-for-dollar basis for up to **30% of the cost of a solar system**. This is a meaningful change for businesses, as the ITC before IRA was lower (26%) and set to further decline and expire after 2023.

Under IRA, the ITC for commercial solar projects is **extended until 2025**. Tax credits in 2025 and later are contingent upon whether certain emission reduction goals set forth by the Department of Treasury are met.

What incentives does your business qualify for?

To take full advantage of the incentives offered under IRA, there are many nuanced provisions and requirements to consider. Variables like project size, region, construction commencement date, and more can have a significant impact on a company's total incentive value.

To learn what solar tax incentives your company qualifies for, get in touch with us at **(512) 382-2999** or visit our website at www.holtrenewables.com.



Why Partner with HOLT Renewables?

HOLT Renewables specializes in transforming big picture solar ideas into real, optimized solar investments. We custom design, execute, and maintain solar systems for the nation's most reputable businesses, brands, and institutions.



Hormel

- 2,016-365W JA Solar modules in a combined roof & ground mount.
- Projected to produce over 1,210.5 megawatt hours in its first year of operation.



UniFirst

- 232.5 kW solar array at its industrial laundry facility in San Antonio, TX.
- Expects to see more than \$25,000 in energy savings in its first year.

Take the Next Step.

HOLT Renewables is your end-to-end partner, offering services from solar project design and engineering, to procurement and financing, to operations and maintenance.

With our combined decades of industry experience, our customers depend on us for guidance, creative thinking, and our proven ability to execute.

Contact Us

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