

# FEDERAL AND STATE RENEWABLE ENERGY INCENTIVES

## Federal Incentives

**Description:** Under present law, a federal-level investment tax credit (ITC) is available to help consumers purchase small wind turbines for home, farm, or business use. Owners of small wind systems with 100 kilowatts (kW) of capacity or less can receive a credit for 30% of the total installed cost of the system (this tax credit includes solar).

**Current Status:** The ITC, written into law through the Emergency Economic Stabilization Act of 2008, is available for equipment installed from October 3, 2008 through December 31, 2016. The value of the credit is now uncapped, through the American Recovery and Reinvestment Act of 2009.

**Rapid Depreciation:** Double-declining balance, five-year depreciation schedule (I.R.C. Subtitle A, Ch. 1, Subch. B, Part VI, Sec. 168 (1994) (accelerated cost recovery system)) is another federal policy that encourages wind development by allowing the cost of wind equipment to be depreciated faster.

**Corporate Incentives - Eligible Efficiency Technologies:** Equipment Insulation, Water Heaters, Lighting, Lighting Controls/Sensors, Chillers, Furnaces, Boilers, Heat pumps, Air conditioners, Caulking/Weather-stripping, Duct/Air sealing, Building Insulation, Windows, Doors, Siding, Roofs, Comprehensive Measures/Whole Building Applicable Sectors: Commercial, Builder/Developer, State Government, Fed. Government, (Deductions associated with government buildings are transferred to the designer) Amount: \$0.30-\$1.80 per square foot, depending on technology and amount of energy reduction Maximum Incentive: \$1.80 per square foot

## Additional Resources

You can monitor federal agency implementation developments through several government web sites:

- American Wind Energy Association website [www.awea.org](http://www.awea.org)
- American Recovery and Reinvestment Act (ARRA) Information: [www.recovery.gov](http://www.recovery.gov)
- Energy Department Information Related to ARRA: [www.energy.gov/recovery/](http://www.energy.gov/recovery/)

## State of Illinois Incentives

The Illinois Department of Commerce and Economic Opportunity announced November 12, 2009, the opening of the Solar & Wind Energy Rebate Program. The rebates can total 30% for residential and business applicants and 50% for public sector and non-profit entities with a maximum of \$50,000. **Applications will be due April 30, 2010.**

**For guidelines and application forms for the Solar & Wind Energy Rebate Program go to:** <http://www.illinoisbiz.biz/NR/rdonlyres/F3D9AD37-D9F2-4542-88E4-CAAEDFEFAA8F/0/FY10RERPRbateGuidelinesFINAL.pdf>

**For more information on the Solar and Wind Energy Rebate Program in Illinois, please contact:**

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## **Other State Incentives**

**Incentives vary state by state**

[For more information about your states incentives go to www.dsireusa.org](http://www.dsireusa.org)