

## **NC Renewable Energy Tax Credit (Personal)**

### **Eligible Property:**

- Passive Solar Space Heat
- Solar Water Heat
- Solar Space Heat
- Solar Thermal Electric
- Solar Thermal Process Heat
- Photovoltaics
- Landfill Gas
- Wind
- Biomass
- Hydroelectric
- Geothermal Heat Pumps
- CHP/Cogeneration
- Spent pulping liquor
- Solar Pool Heating
- Daylighting
- Anaerobic Digestion
- Ethanol
- Methanol
- Biodiesel
- Geothermal Direct-Use

### **Amount of Credit:**

- 35%

### **Maximum Incentives:**

\$1,400 - \$10,500 (varies by technology)

A maximum of \$3,500 per dwelling unit for active solar space heating, combined active solar space and domestic water-heating systems, and passive solar space heating used for a non-business purpose;

A maximum of \$1,400 per installation for solar water-heating systems, including solar pool-heating systems used for a non-business purpose;

A maximum of \$8,400 for geothermal heat pumps and geothermal equipment that uses geothermal energy for water heating or active space heating or cooling used for a non-business purpose;

A maximum of \$10,500 per installation for photovoltaic systems (also known as PV systems or solar-electric systems), wind-energy systems, combined heat and power systems, or certain other renewable-energy systems used for a non-business purpose

A maximum of \$2.5 million\* per installation for all solar, wind, hydro, geothermal, combined heat and power, and biomass applications\*\* used for a business purpose\*\*\*, including PV, daylighting, solar water-heating and space-heating technologies.

**Eligible System Size and Equipment Requirements:**

No stated size limits for systems. Maximum of 50 kWh battery storage capacity per kW of hydro generator capacity (DC rated); maximum of 35 kWh battery storage capacity per kW for other technologies

System must be new and in compliance with all applicable performance and safety standards. Specific equipment and installation requirements vary by technology.

**Carryover Provisions:**

Single-family dwellings: excess credit may be carried forward five years; all other property: credit must be taken in five equal installments; allowable credit may not exceed 50% of a taxpayer's state tax liability for the year, reduced by the sum of all other state tax credits.

**Expiration Date:**

12/31/2015

North Carolina offers a tax credit equal to 35% of the cost of eligible renewable energy property constructed, purchased or leased by a taxpayer and placed into service in North Carolina during the taxable year. Renewable-energy equipment expenditures eligible for the tax credit include the cost of the equipment and associated design; construction costs; and installation costs less any discounts, rebates, advertising, installation-assistance credits, name-referral allowances or other similar reductions provided by public funds.

The allowable credit may not exceed 50% of a taxpayer's state tax liability for the year, reduced by the sum of all other state tax credits. Qualifying renewable-energy systems used for a non-business purpose must take the maximum credit amount allowable for the tax year in which the system is installed. If the credit is not used entirely during the first year, the remaining amount may be carried over for the next five years.