



LANDLORDS & SOLAR

Landlords are able to save money each month and increase the value of their property by **making the switch to solar.**



 **REDUCE YOUR OWN ELECTRIC BILL**

 **INCREASE PROPERTY VALUE**

 **ATTRACT MORE TENANTS**

 **QUALIFY FOR TAX CREDIT**



DEPRECIATION EXPENSE

Solar systems come with an extended warranty period from 20 to 25 years. The depreciation value method lets you **claim a 10% decline in the value of your solar system annually.**



INCREASE PROPERTY VALUE

Solar panels save you money right away and provide free electricity after you pay them off. This makes your home more valuable **(homes with solar panels sell 20% faster than equivalent homes.)**



TAX CREDITS

The Investment Tax Credit or ITC is a commercial solar incentive. **Businesses are eligible for a tax credit of 30% of the total cost of the solar array**



HOW TO CLAIM TAX CREDIT:

1. LOCATION

The solar project must be installed on a property in the United States you own and use as your primary or secondary residence to qualify for the Federal Solar Tax Credit.

2. INCOME TAX LIABILITY

You must have a income tax liability to qualify for the Federal Solar Tax Credit. This means the credit can only be used to balance taxes owed; it does not provide a refund beyond what is owed.

3. PROCESS FOR CLAIMING SOLAR TAX CREDIT

When you invest in a solar energy system, you'll receive a federal tax credit that may be used to offset some of the installation costs. To claim the tax credit, you must complete and file the appropriate paperwork with the IRS.

4. CALCULATION OF TAX CREDIT FOR RENTAL PROPERTIES

Calculating the Federal Solar Tax Credit for rental properties entails assessing the eligible expenses and applying the credit against tax liability

5. OFFSETTING NON-PASSIVE TAXES

If your rental income is considered passive income, then the solar tax credit can't be used to offset your taxes from your non-passive (job / business) income. If your rental income isn't creating tax due (because of depreciation, for example), then the solar tax credit is carried forward as a "passive activity credit."