Senate Passes Legislation Containing Key Tax Credits for Solar

---

The Senate late last night passed a corporate tax bill, S. 1637, that includes $14 billion in tax incentives originally contained in the energy bill. The incentives include a 15% residential tax credit for PV and SWH, as well as expansion of the wind production tax credit to solar in a manner that is usable for central solar power stations (CSP or PV selling power through a third party.) With the passage of S. 1637, these once-in-a-generation solar provisions have cleared a major hurdle to becoming law.

S. 1637, designed to help the US avoid billions in tariffs over a dispute with the EU on Foreign Sales Corporations, is considered to be must-pass legislation. The cloture motion succeeded by a vote of 92-5. Earlier, **Senator McCain** had introduced an amendment to strip the energy tax incentives from the bill, but that amendment was defeated, 13-85, with little debate.

As legislators work to reconcile S. 1637 with the House version of the corporate tax bill, we will continue to keep you informed of developments and work to make the credits most effective for the industry. Today marked a huge step forward for the solar industry -- momentum is on our side!

>>

Colin Murchie
Director of Government Affairs
Solar Energy Industries Association
(202) 628 - 7745 (p) (202) 628 - 7779 (f)
Solar Power 2004 Conference October 18-24
www.SolarPower2004.com goes live on May 16!