

Solar Investment and Wind Production Tax Credits Extended

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(By [Christopher Hall](#))



The recently approved federal spending bill for 2021 appropriations (December 27, 2020) included extensions to the federal solar investment tax credit (ITC) and wind production tax credit (PTC). The ITC and PTC provide significant financial incentives to the growing renewable energy industry. The ITC is a tax credit that can be claimed on federal corporate income taxes for a percent of the cost of a solar photovoltaic (PV) system that is placed in service. The ITC, which was scheduled to step down from 26% to 22% in 2021, has been extended at its current 26% rate for an additional two years through 2023. The PTC is a per-kilowatt-hour (kWh) tax credit for electricity generated using qualified energy resources including wind, and was scheduled to phase down from 60% of the original credit to 40% in 2021. The new spending bill included an extension of the 60% rate for an additional year through 2021. Projects must be commenced prior to the expiration of the new extension deadlines in order to qualify for the current tax credit rate. [Please click here for more information.](#)

Tags: [energy](#), [federal solar investment tax credit](#), [federal spending bill](#), [ITC](#), [PTC](#), [renewable](#), [solar](#), [tax credits](#), [wind](#), [wind production tax credit](#)

Babst | Calland
Attorneys at Law

PITTSBURGH, PA | CHARLESTON, WV | HARRISBURG, PA | STATE COLLEGE, PA | WASHINGTON, DC