



UTAH OFFICE OF
ENERGY DEVELOPMENT

2017-2021 Energy Tax Credit Information

Renewable Energy Systems Tax Credit (RESTC)

- Utah Code 59-7-614 & 59-10-1014
- Credits for home and business owners who install renewable energy systems (mostly solar PV) on their property.
- Residential nonrefundable credit is calculated as 25% of system cost or the installation year limit, whichever is less.
 - Installation Year Limit:
 - Before 2018 = \$2,000
 - 2018-2020 = \$1,600
 - 2021 = \$1,200
 - 2022 = \$800
 - 2023 = \$400
 - Gone in 2024
- Commercial refundable credit is calculated as 10% of the system cost or \$50,000, whichever is less.

RESTC Amounts*

Number of Credits Approved	21,454
Amount in Credits Approved	\$42,699,697
Avg Credit Amount	\$1,990

RESTC Annual

Year	Number of Applications
2017	4,890
2018	3,775
2019	4,911
2020	2,224
2021	5,654
Yearly Avg	4,291

*Numbers are approximate due to changes in reporting and programs over the past few years.



Renewable Energy Systems Tax Credit (RESTC)

- Residential average nameplate capacity size: 3-7 kW (~5 kW)
 - Older reports (i.e. pre-2020) do not have energy capacity listed; however, in 2021, there was a combined energy capacity of 44,086.59 kW (44.08 MW) reported.
 - Actual capacity is higher due to the self-reporting nature of applications and larger commercial systems (e.g. 50 kW). There are systems installed in 2021 that have not claimed the credit.
 - U.S. Energy Information Administration reports that around 63.5 MW of solar PV energy came into use in 2021.
- These are only estimates related to rooftop solar PV systems that have claimed the credit within 2021. Other eligible systems (e.g. biomass, hydroelectric, geothermal, etc.) are not included since solar PV makes up the bulk of these systems.



Production Tax Credit (PTC)

- Utah Code 59-7-614 & 59-10-1106
- Refundable credit for utility-scale (>660 kW) renewable energy projects.
 - Mostly solar PV, but can be for wind, geothermal, and biomass projects.
- Calculated as 0.35 cents per kWh produced.
- Credit lasts for the first 48 months of operation.

PTC Amounts*

Number of Projects Approved	37
Amount in Credits Approved	\$39,725,517
Avg Credit Amount	\$1,073,662

*Numbers are approximate due to changes in reporting and programs over the past few years.



Production Tax Credit (PTC)

- Combined Nameplate Capacity: 1,505 MW
- Average nameplate capacity size: 40.7 MW
 - This includes projects built before 2017, but are incorporated since they received credits between 2017-2021.
 - Most PTC projects are solar PV with only a few wind.
 - Not all utility scale renewable projects within Utah have applied for the credit, so the actual overall capacity is higher.
- In 2020, utility solar, wind, geothermal, and hydroelectric projects in Utah produced 4,568 GWh of electricity. This has a carbon emission offset of approximately 1,243,205 metric tons. This is the equivalent of removing around 270,000 cars annually.

Sources: Utah Geological Survey and the U.S. Environmental Protection Agency



Qualifying Solar Project Tax Credit

- Utah Code 58-10-1024
- Nonrefundable tax credit for taxpayer who purchases a solar unit from a political subdivision.
- Amount is equal to 25% of the purchase price or \$2,000, whichever is less.
- To our knowledge, this credit has not been claimed within the past 5 years.
- According to the tax commission, many taxpayers mistakenly try to claim this credit for the RESTC. Because of this and the lack of activity in applications, the credit has been removed from the Utah return.

