



Urgency & Opportunity

Taking Advantage of Federal Tax Credits Before They Are Gone



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Federal Tax Rebate for Commercial Solar

- Current base rebate is 30%
- Depending on when you start your project, it will be eligible for the rebate until the end of 2027 OR the end of 2029
- Adders for additional rebates were untouched
 - Energy Communities - 10%
 - Prevailing Wage - 10%
 - Domestic Content - 10%
 - Low-to-Moderate Income - 10% - 20%



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Commercial Solar

- If you commence construction by July 4, 2026, you will have until Dec 31, 2029 to get the project installed and energized
 - “Commence construction” currently includes “significant construction” or a minimum 5% deposit, which must include complete cost
- Starting January 1, 2026, all projects will have to comply with Prohibited Foreign Entity (PFE) regulations
- Projects that commence construction by Dec 31, 2025, do NOT have to meet PFE regulations



Commercial Solar

- Best option is to have a contract and a 10-15% deposit with a solar installer by Dec 31, 2025
 - Qualifies for tax credit
 - Avoids PFE requirements
 - Larger deposit includes overruns
 - Could ask for a refundable deposit
- If you commence construction between January 1, 2026 and July 4, 2026, you will have to meet the PFE requirements
 - You will still have until Dec 31, 2029 to get the project installed and energized



Commercial Solar

- If you commence construction after July 4, 2026, you have until the end of 2027 to have the project energized and online.
 - Timeline is shorter
 - Still qualifies for tax credit
 - Must meet PFE requirements
- CT Non-Residential Small Commercial program
 - Currently, Eversource and UI approve projects twice a year by a lottery system
 - Advocacy opportunity to change this – stay tuned!



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Prohibited Foreign Entity

- Called Foreign Entities of Concern (FEOC) in the House bill, it has been renamed Prohibited Foreign Entity (PFE)
 - China, Russia, Iran, North Korea
- Foreign Control
 - Does the org have close connections to a PFE?
- Foreign Influence
 - If your org is connected to a PFE, does the PFE have the ability to appoint officers or otherwise influence
- Material Assistance
 - Applies to supply chain, begins Jan 1, 2026



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Battery Storage for Solar

- Battery Storage is NOT affected by HR 1 (OBDD)
 - The tax credit will extend through 2033
 - Additional state programs make battery storage very cost-effective
 - Houses of worship that want to be heating and cooling centers should include battery storage as part of their plan
 - Upcoming webinar on battery storage with IREJN



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Federal Rebates for Residential Solar

- Currently 30%
- Purchased projects qualify until Dec 31, 2025
 - Must be installed and energized
- Solar lease projects will qualify until Dec 31, 2030*
 - Solar company gets rebate and passes a portion onto the homeowner
 - Good option for people who want to lower their electricity bill, install solar for no upfront cost
 - Other benefits: adds clean energy to the grid and reduces peak demand



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Residential Solar Campaigns at Your House of Worship

- Your house of worship can host a solar campaign for your members
- Solar installers will still do referral fees for each installation your house of worship gets.
 - Applies to purchased and leased systems
 - Earthlight (1st installation - \$1,000, 2nd through 5th installation - \$500 each, 6th installation and up - \$1,000 each.)



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Other Resources

- Tax Law Center - [Navigating OBBBQ](#)
- Lawyers for Good Government - [Updates on Federal Tax Credits](#)
- Lawyers for Good Government - [Additional Adders](#)
- Energy Community - [Map of EC Communities in CT](#)
- Connecticut Solar & Storage - <https://www.connssa.org/>
- IREJN webinar: [Financing Large Clean Energy Projects](#)
- IREJN Google Document - [Questions & Answers](#)



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Save the Date

- **Early Sept 2025 TBA** – Webinar on Battery Storage
- **Sept 18, 2025** – Energy Efficiency at Your House of Worship
 - Register: [Energy Efficiency at Your House of Worship](#)
- **Sept 21, 2025** – Sun Day
 - Central Connecticut State University, 12:00 pm – 4:00 pm
 - Local events on Saturday, Sept 20.
 - <https://thirdact.org/sun-day/>



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