

### **Eliminate Electric bills with a Residential or Commercial Solar System.**

Are you tired of spending hundreds of dollars on electricity each month to cool your home or business. Now there is an answer to your problems. It comes in the form of a solar system for your home or business and the time to do it is right now.

It is a perfect time to install a solar electric system for your home or business. The IRS, Arizona Department of Revenue and Tucson Electric Power are currently offering tax credits and incentive payments to incentivize consumers to purchase solar electric systems.

The current tax credits and incentives for individuals are:

<b>Federal</b>	Tax Credit equal to 30% of the cost of the system
<b>Arizona</b>	Tax Credit equal to 10% of the cost of the system with a maximum of \$1,000
<b>TEP</b>	\$2.25/watt DC incentive payment

The easiest way to explain the savings is through an example.

Example:

Lets say you have a 2,000 square foot home and your energy consumption requires you to Install a 7 kilowatt system. This is equal to 7,000 watts.

The company that installs this system might charge you \$37,000 for a system such as this. You will receive the purchase incentive from TEP just as soon as the system is installed and inspected by TEP.

Gross price:	\$37,000
Purchase incentive from TEP (7,000 watts x \$2.25/watt)	<u>(\$15,750)</u>
Net purchase cost	\$21,250
Federal tax credit (30% of \$21,250)	<u>(\$6,375)</u>
Arizona tax Credit	<u>(\$1,000)</u>
Net cost to taxpayer	<u>\$13,875</u>

If your electric bill expenses are \$2,000 per year, you will have this system paid off in less than 7 years. This is better than a 14% internal rate of return on your money without taking energy cost increases into consideration. As you can see the tax savings and purchase incentives make this a very attractive time to purchase a solar electric system.

These tax credits and purchase incentives are just as attractive for businesses. In order to receive the Arizona tax credit, the system must be installed by 12/31/2013. The federal tax credit requires the system to be installed by 12/31/2016.

If you are interested in learning more about the solar energy tax credits or have other tax questions, please feel free to call The Ruboyianes Company.