

WASHINGTON— U.S. Rep. Harry E. Mitchell once again voted to extend critical solar tax credits that will help make Arizona a world leader in clean, alternative energy production and will make America less dependent on foreign oil.

“With our endless supply of sunshine, Arizona has the opportunity to become the world’s leader in producing and exporting solar energy,” Mitchell said. “These common-sense incentives and investments are critical not only for our state’s economy and the environment, but for national security. We must reduce our dependence on foreign oil.”

The U.S. House of Representatives passed H.R. 6049, the Renewable Energy and Job Creation Act of 2008, with a bipartisan vote of 263-160.

The Renewable Energy and Job Creation Act would:

- Extend a 30-percent investment tax credit for solar energy property for six years until 2014. This legislation would repeal a current provision that prohibits public utilities from claiming the investment credit. This tax credit can be used to offset the Alternative Minimum Tax (AMT)

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Mitchell Backs Efforts to Extend Solar Energy Tax Incentives

Tuesday, 20 May 2008

- Extend residential solar property tax credit for six years until 2014 and increase annual cap to \$4,000 from \$2,000. This tax credit can be used to offset the AMT.
- Extend the Research and Development tax credit for one year.

These incentives are vital to the efforts of Arizona Public Service and Abengoa Solar to build the Solana Generating Station just outside the Valley of the Sun. The project would result in the world's largest solar power plant, a leading source of emission-free electricity and would spark significant economic development for Arizona. However, according to an Abengoa executive, if Congress fails to extend solar energy tax incentives set to expire in December, "Solana will not happen." [Source [The Arizona Republic](#) , Feb. 21, 2008].

The Senate must now pass the legislation before it goes to the President's desk.