



Legislation Details (With Text)

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Title: Resolution calling upon the New York State Legislature to adopt, and the Governor to sign, legislation which would provide a credit against the Unincorporated Business Tax and General Corporation Tax to commercial building owners who install photovoltaic modules on their commercial buildings.

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Res. No. 1780

Resolution calling upon the New York State Legislature to adopt, and the Governor to sign, legislation which would provide a credit against the Unincorporated Business Tax and General Corporation Tax to commercial building owners who install photovoltaic modules on their commercial buildings.

By Council Members Garodnick, Lappin, Brewer, Comrie, Fidler, Gentile, Gerson, Jackson, James, Koppell and Mark-Viverito

Whereas, Of all the renewable energy sources, solar thermal energy, particularly that derived from photovoltaic (PV) modules, has arguably the greatest potential to generate electricity because it is clean, inexhaustible, and particularly available during periods of highest demand; and

Whereas, The photovoltaic effect is the process by which a PV cell converts sunlight into electricity; and

Whereas, The basic building block of the solar electric system is the PV cell, which acts as a circuit when strips of conductive metal alloys are deposited onto the cell; and

Whereas, When PV cells are soldered together in series and parallel, encapsulated in thermoplastic and laminated between layers of glass and a backing material, they form weather sealed "modules"; and

Whereas, When PV modules are installed on a roof of a building, sunlight shines on a PV cell, allowing the sunlight to reflect, absorb, or pass through such module, thereby generating electricity; and

Whereas, While PV modules can significantly reduce energy costs by generating electricity, for use at the site thereby reducing the need for a home or commercial building owner to purchase electricity, the initial cost to purchase and install a PV system is high and deters many commercial owners from purchasing a PV system; and

Whereas, According to the Pratt Center for Community Development, commercially available solar modules cost approximately \$4.50 per watt for the equipment, and approximately \$8 to \$10 per watt for installation; and

Whereas, The average single family home will need a 5 kilowatt (kW) system, which costs approximately \$40,000 to install, depending on size of the roof, and home usage; and

Whereas, A commercial business will require in excess of the 5 kilowatts needed for a single family home, costing many business owners well over one hundred thousand dollars; and

Whereas, To help offset the high cost associated with solar energy installation and make the choice to purchase and install a PV system a more viable option, the Federal and State governments have enacted various incentives for the home and business owner, most recently, a property tax abatement for PV system expenditures made on commercial and residential property located in New York City; and

Whereas, While this property tax abatement will help to offset the cost of installation, a tax exemption against New York's General Corporation Tax, and the Unincorporated Business Tax, would provide greater relief; and

Whereas, As electricity costs rise, allowing small business owners to claim a tax credit against their unincorporated business tax, and corporations to claim a credit against their general corporation tax to offset the

cost to purchase and install a PV system will make the purchase and installation of such systems more likely, thus furthering the City's efforts for a cleaner, greener environment; now, therefore be it

RESOLVED, That the Council of the city of New York calls upon the New York State Legislature to adopt, and the Governor to sign, legislation which would provide a credit against the Unincorporated Business Tax and the General Corporation Tax to building owners who install photovoltaic modules on their commercial buildings.

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