



Knowledge
reach for the sun
Experience
Service

Exceptional Guidance
on tax and structuring
issues for the Section
48 investment tax
credit for solar
energy.



**NOVOGRADAC
& COMPANY** LLP

CERTIFIED PUBLIC ACCOUNTANTS

246 First Street, 5th Floor
San Francisco, CA 94105
415.356.8000

cpas@novoco.com

www.novoco.com

www.energytaxcredits.com

Knowledge

Exceptional Guidance on tax and structuring issues for solar energy tax credits

Novogradac & Company LLP, responding to the demand for additional investment opportunities from tax credit investors who were looking to diversify their portfolios with financially viable and economically responsible investments, launched its Renewable Energy Tax Credit practice in 2006. The firm quickly established a leading position in the renewables industry by providing value-added services that are based on innovative thinking and a comprehensive understanding of the underlying tax and structuring issues involved in renewable energy transactions.

One of the most important incentives available for renewable energy is IRC Section 48. IRC Section 48 provides an

investment tax credit or cash grant equal to 30 percent of the basis of certain energy property that includes solar (photovoltaics) energy property.

The firm's skilled professionals, with their thorough understanding of the benefits, costs and motivations of each participant in a renewable energy tax credit transaction, have helped numerous developers, investors, installers (systems integrators) and lenders maneuver through the complexities of the rules to maximize the monetization of the tax benefits that come from renewable energy projects.

Experience

Comprehensive tax and consulting services

Novogradac & Company's Renewable Energy Tax Credit Group's services are based on comprehensive knowledge of and broad experience with complex tax, accounting, business and transactional issues inherent in financing and developing renewable energy projects. Our renewables team has assembled and developed the critical resources necessary to provide outstanding professional services in dealing with the challenges associated with these emerging technologies. Our professionals are dedicated to meeting each client's needs in a thorough, efficient and creative manner. The firm's work in the renewable energy industry includes various services in connection with the investment tax credit under IRC Section 48 (used primarily to finance solar installations), including:

Transaction / Tax Consulting

- ◆ Financial projections and analysis
- ◆ Transaction/entity structuring
- ◆ Identification and resolution of key tax issues
- ◆ Debt and equity finance advisory
- ◆ Evaluation of equity investment proposals

- ◆ State rebate/REC/state tax credit subsidy analysis

Investor Services and Consulting

- ◆ Evaluation of financial projections from investor perspective
- ◆ Analysis of renewable energy investments on book earnings
- ◆ Analysis of internal rate of return (IRR) and return on investment (ROI) investment return metrics
- ◆ Relationship liaison for solar developers, investors, systems integrators (installers) lenders and applicable legal counsel
- ◆ Cash grant application and registration assistance

Accounting Services

- ◆ Cost certifications – solar energy facilities
- ◆ Annual audits of financial statements
- ◆ Annual partnership tax returns
- ◆ Specialized agreed-upon procedure reports
- ◆ Assessments of leased property fair market value

Service

The Renewable Energy Tax Credit Team



Michael
Novogradac



Stephen
Tracy



Dan
Smith



John
Sciarretti



Paul
Charron



Brad
Elphick



Tony
Grappone



Tonya
Phongsavanh

G. Tyler Gibbs ◆ Miao Xue ◆ Chad Durden ◆ Nat Eng