



Knowledge harness the wind Experience Service

Quality Leadership on
the intricacies of the
Section 45
production tax
credit for wind
energy.



**NOVOGRADAC
& COMPANY** LLP®

CERTIFIED PUBLIC ACCOUNTANTS

303 W. Third Street
Dover, OH 44622
330.365.5400 ♦ cpas@novoco.com
www.novoco.com ♦ www.energytaxcredits.com

Knowledge

Quality leadership on the intricacies of the production tax credit for wind energy

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 45. IRC Section 45 provides owners or operators of certain electricity generat-

ing facilities a production tax credit to produce electricity from qualified energy sources that include wind, biomass, geothermal, solar, irrigation, solid waste and hydropower. Certain facilities are now also eligible to make an election to claim a tax credit equal to the 30 percent ITC in lieu of the 10 percent PTC.

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 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 45 (used primarily to finance wind farms and other wind turbine 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
- ◆ ITC/PTC comparative 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 wind developers, investors, systems integrators (installers) lenders and applicable legal counsel

Accounting Services

- ◆ Cost certifications – wind 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