

Also extends critical education & child care tax breaks for working Vermonters

Washington, DC - Rep. Peter Welch (D-VT) supported and the U.S. House passed legislation expanding tax incentives to foster the development of new renewable energy and energy efficiency.

The Renewable Energy and Job Creation Act, H.R. 6049, extends and expands tax incentives for renewable energy and energy efficiency, helping retain and create thousands of green jobs and foster innovation and business investment.

"The way out of our energy challenges is to harness American innovation on a path of energy independence. These incentives are a critical part of creating a new green economy and Vermont is ready to lead the way," said Welch.

Welch added, "As high energy prices squeeze Vermonters' paychecks, providing incentives for new renewable sources of energy and for efficiency is an important step. These incentives will help foster economic development and thousands of new green collar jobs."

The legislation offers \$18 billion in renewable energy and green job creation tax incentives, including:

- **A six-year extension of the investment tax credit (ITC) for solar energy.**
- **A three-year extension of the production tax credit (PTC) for energy derived from biomass, geothermal, hydropower, landfill gas and solid waste.**
- **A one-year extension of the PTC for energy derived from wind.**
- **Incentives for carbon capture and sequestration demonstration projects.**
- **Incentives for the production of homegrown renewable fuels and for the installation of E-85 pumps for consumers to fill up flex-fuel vehicles.**
- **Tax credits of \$3,000 or more toward the purchase of fuel-efficient, plug-in hybrid vehicles.**
- **Incentives for energy conservation in commercial buildings, residential structures, and energy efficient appliances.**
- **\$3 billion in tax credit bonds to state and local governments to make energy conservation investments in public infrastructure.**

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The incentives are paid for by closing loopholes that allow corporations and executives to avoid U.S. taxes by shipping jobs and investment overseas. The bill stops hedge fund managers and corporate CEOs from escaping income taxes by using offshore tax havens.

In addition to providing these incentives for renewable energy, the bill also provides tax deductions for tuition and other education expenses, out-of-pocket expenses by teachers, property taxes for non-itemizers, and expand the refundable child tax credit to taxpayers earning as little as \$8,500 a year.

For Vermont, 9,754 teachers took the deduction for out-of-pocket classroom supplies, totaling \$2.4 million in deductions, 9,678 families took the tuition deduction for higher education costs, totaling \$26 million in deductions, and 20,916 children in low-income working families would get a benefit from the improved refundable child tax credit.