

By Leasing, Homeowners Have Until July 4 to Benefit From Federal Tax Credit on Solar

You probably heard that the 30% federal tax credit on residential solar installations and home batteries expired on Dec. 31st, under the Trump tax bill, OBBA. However, if you *lease* the system (which you own at the end of the 5-year lease without paying anything additional), you have a bit more time because leased solar panels and batteries are considered *commercial*, even in a home, and commercial solar and commercial batteries still qualify for the 30% tax credit. To secure the full 30% base federal tax credit, your project must meet one of two key timeframes, according to my friends at Golden Solar, from whom I have purchased or leased five systems over the past 20 years: 1) Construction begins by **July 4, 2026**, and the project is placed in service within four calendar years. It is sufficient to meet the requirement for construction to begin by July 4 if you sign a contract and pay for the *design* by July 4, 2026. 2) A system started after July 4, 2026 must be placed in service by **December 31, 2027**.

Here's the best part: you can *pre-pay the lease in full for 70% of its purchase cost*, because the lessor gets to take and passes on to you the 30% tax credit.

OBBA killed the 30% federal tax credit for solar and batteries for residential use as of Dec 31, 2025. But the *commercial* tax credit for solar electric systems continues until July 4, and that tax credit applies to *any leased systems* or systems put in under a power-purchase agreement (PPA). That is how homeowners can still

qualify for the 30% tax credit. **NOTE: All rentals are considered commercial, so they get the 30% credit without leasing.**

Golden Solar is among several solar installers that have set up a leasing company to lease solar to homeowners. Leasing companies can take the tax credit and pass that benefit on to homeowners.

REAL ESTATE TODAY



By JIM SMITH
Realtor®

If clients want to make monthly lease payments for 5 years instead of pre-paying in full, Golden Solar expects to have something set up with a finance company, but the total cost will be higher because the finance company will charge fees and want to profit.

The commercial tax credit for batteries was not eliminated by OBBA, so the July 4 deadline does not apply to commercial installations of batteries, including leased batteries to homeowners, as described above. There are solar finance companies that are doing solar leases and solar PPAs too.

There is a provision for allowing tax credits for solar systems started between July 5 and December 31, 2026, as long as they are finished by the end of 2027. But for now, Golden Solar is recommending signing a contract to lease it before July 4, 2026.

The state of Colorado has a 10% tax credit for any battery installation, worth \$1,100 for a Tesla Powerwall.

The Public Utilities Commission has approved Xcel Energy's battery incentive, worth \$4,525 on a 13.5-kWh Powerwall, or \$5,500 for two Powerwalls. Every Xcel bill includes a small fee which funds in-

centives for solar and batteries and they have to spend that in accordance with a plan approved by the PUC. This year's approval is for 300 batteries, but act quickly. Last year the incentive ran out after a few months.

Lastly, Tesla is offering a \$500 Visa gift card per Powerwall, limited to two gift cards per customer.

If you find all of this a little confusing, you're not alone. I recommend contacting your favorite solar vendor or Don Parker at Golden Solar (cell: 720-234-6517) to learn how you can maximize the incentives and rebates described above for your own solar photovoltaic and/or home battery system. Just know that you still have options despite the changes under OBBA.

Redfin CEO Identified 10 Real Estate Trends From 2025

- 1) We have entered a buyer's market. Days on market are going up, and most homes are showing price reductions before they go under contract.
- 2) "Affordability" became a national issue. The median age of first-time homebuyers passed the crucial threshold of 40 years.
- 3) The real estate industry shrugged off the rule against listing agents sharing their listing commissions. Most sellers still pay buyers' agents their commissions.
- 4) Big franchisers are getting bigger. Compass just bought Anywhere, which already owned big brands, including Coldwell Banker, Century 21, Corcoran, and ERA.
- 5) Artificial intelligence is now powering real estate search engines.
- 6) 1099 employees, which include most real estate agents, came under pressure with the end of ACA health subsidies. This could result in agents quitting real estate.
- 7) There's a shift in migration. Texas and Florida are down, Midwest is up.
- 8) The Federal Reserve has fought Trump to maintain its independence.
- 9) There's a move to higher housing density, threatening the single-family model.
- 10) There's more litigation than ever between and among the big real estate players, such as CoStar, Zillow and NAR.

Price Reduced on Westminster Solar-Powered Home



Showings have now begun on this amazing 3-bedroom/2-bath 2-story home at 6637 W. 95th Place in Westminster. At left is a summertime picture of the front yard — a "food forest" of both annual and perennial vegetables. The backyard looks much the same. Think garlic, garlic chives, baby onions, beans, grapes, tomatoes, cucumbers, squashes, tomatillos and a large variety of flowers. This home has what we Realtors call "character," and if you like solar, rain barrels, composting, hardwood floors, heat pumps, and the like, you'll be quite comfortable buying this home. The sellers have enjoyed \$8/month electric bills, thanks to the 8.5 kW of solar panels and the two Tesla Powerwalls, which power the house instantly in the event of a power outage. There are so many more details, pictures, floor plans, room descriptions, and my narrated video walk-through at www.GRElistings.com. Then call me at the number below to request a showing.

CENTURY 21
GOLDEN
REAL ESTATE

Hometown Service Delivered with Integrity

Jim Smith, Broker
CENTURY 21 Golden Real Estate

303-525-1851

Jim@GoldenRealEstate.com

The articles in this ad are posted at RealEstateToday.substack.com.

Two decades of these columns are archived at JimSmithColumns.com.



Films Announced for February's Environmental Festival

The **Colorado Environmental Film Festival (CEFF)** has announced its lineup for this year's festival happening Feb. 20-22 in Golden. The 2026 selections feature an inspiring lineup of feature-length and short environmental films from around the world. The festival draws together the voices of filmmakers from over a dozen countries who are using film to spark awareness, connection, and action to address the biggest environmental issues facing our planet today.

This year's selections celebrate the resilience of the human spirit, the beauty and fragility of the natural world, indigenous knowledge and leadership, and the everyday choices that shape a more sustainable future. Included are 17 features and 36 shorts, five of which are world premieres, eight are U.S. premieres, and 27 are Colorado premieres.

In-person screenings will take place February 20-22 in downtown Golden at the Green Center on the Colorado School of Mines campus, with online screenings available in the CEFF Online Encore from February 23 to March 1.

Films are screened together in "collections," which include Agriculture, Energy, Green Building, Protecting Our Land, Human-Nature Connection, Reclaiming the Land, Reel Women/Real Impact, Wildlife, Plants & Animals, and Shorts.

All Access (\$99) and Single Day (\$60) passes to the festival as well as single-collection tickets (\$15) are on sale now for in-person screenings at the Green Center. The Online Encore (streaming) ticket is \$60 but is included in the All Access Pass.

See thumbnails and descriptions of 40 of the films at ceff2026.eventive.org/films.