Renewable Energy Incentives

The incentive is designed to encourage individuals and companies to undertake renewable energy projects.

Income Tax Exemptions

Renewable energy projects and power cogeneration
The income of a person derived from a new activity in renewable energy projects and power cogeneration is exempt income for a period of 10 years if the exemption is approved by the CEO.

Carbon Trading

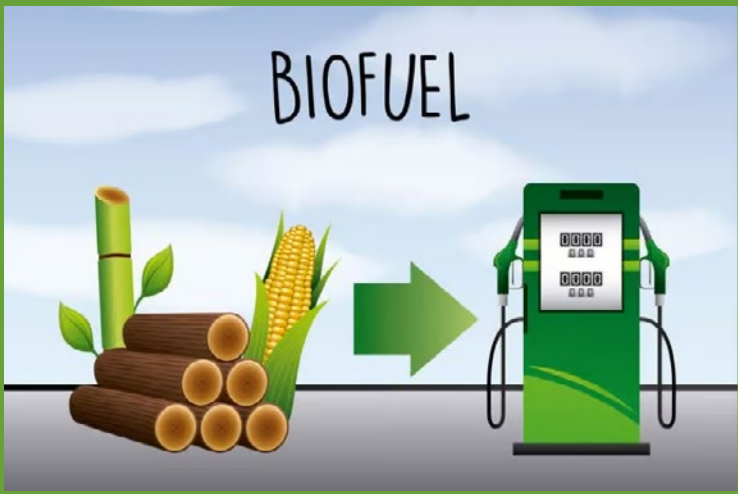
the income of businesses engaged in carbon trading will be exempted from income tax.

Accelerated Allowance for Renewable Energy Plant and Water Storage Facility

Eligibility Criteria
The intended project should be categorised as a renewable energy project.

- Renewable energy plant refers to biofuel generators, solar water pumps, hydropower systems or those that are based on the following wind, wave and solar technology:

a. **Biofuel generator** that is solely operated by biofuel;



b. **solar water pumps** consisting of:
   i. solar panels Wind Energy Generation System (WEGS) assemblies;
   ii. hydraulic pump; and
   iii. inverter;

c. **Hydro power system** consisting of:
   i. turbine;
   ii. generator containing electrical alternator;
   iii. pen stock;
   iv. control system containing parts such as switch board and electrical accessories;

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v. data loggers;
vi. current meters; and vii. transformers;

d. **Wind technology** (such as wind monitoring and wind farms) consisting of:
   i. tower with accessories;
   ii. wind turbine;
   iii. control system;
   iv. data loggers;
   v. pyranometer;
   vi. anemometer;
   vii. wind direction vane; and
   viii. sensor cables;

e. **Wave technology** consisting of:
   i. wave energy generating system;
   ii. wave sensor or gauge;
   iii. aft assembly;
   iv. power transformer;
   v. tower and beacon; and
   vi. reaction plane assembly;

f. **Solar technology** (such as a solar home system) consisting of:
   i. solar panels;
   ii. double ended lights;
   iii. charge, discharge, controller;
   iv. prepayment meter;
   v. switchers;
   vi. inverter;
   vii. deep cycle battery; and viii. electrical accessories.

Water storage facility

- means any storage facility that has the capacity to store over 3,785.5 litres of water.

Tax Benefit

A taxpayer may apply to claim 100% write-off in the tax year of expenditure in respect of the capital expenditure incurred for the installation of a renewable energy plant or water storage facility.

Other Incentives

- **Research & Development** - A company is allowed a **deduction for 250%** of the amount of expenses incurred for research and development of Information Communications Technology and renewable energy industries.
- **Duty Concession** - companies and entities involved in importation of renewable energy goods are eligible for duty concession under code 264 at free fiscal, free import excise and VAT applicable.

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