

## **Relief for investment in renewable energy generation**

### **Part 15-03-02**

**This document should be read in conjunction with section 486B Taxes  
Consolidation Act 1997**

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Section 62 Finance Act 1998 provided for a scheme of tax relief for corporate investments in certain renewable energy projects. The Section came into operation as Section 486B, TCA 1997, with effect from 18 March 1999. Since then, the scheme has been periodically extended, to run until 31 December 2014.

The relief applies to corporate equity investments in certain renewable energy generation projects. The relief is given in the form of a deduction from a company's profits for its direct investment in new ordinary shares in a qualifying renewable energy company.

To qualify for this relief, the energy project must be in the solar, wind, hydro or biomass technology categories, and must be approved by the Minister for Communications, Energy and Natural Resources.

The relief is capped at the lesser of 50% of all capital expenditure (excluding lands), net of grants or €9,525,000 for a single project. Investment by a company or group is capped at €12,700,000 per 12 month period, and unless the shares are held for at least 5 years by the corporate investor, the relief "shall" be withdrawn (Section 486B (6) (b) refers).

Claims are made on form REG 1(available from the address below).

Further information is available from:

Business Taxes Policy and Legislation Division  
Incentives Unit 2  
Stamping Building  
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