



Leveraging Federal Solar Tax Credits in Puerto Rico

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- Established in Detroit in 1924 by Sebastian S. Kresge.
- Founder of the S.S. Kresge Company, which began as a single five and dime store.
- The revolutionary retail concept expanded nationally, eventually becoming Kmart Corporation.
- Until his death at age 99 in 1966, Mr. Kresge served on the board and contributed \$60.5 million to the foundation.



- National private foundation
- Expanding opportunities in America's cities
- \$3 billion endowment
- Grants and social investments
- Sector and place-based approaches

Community Development Finance at Kresge



GRANTS AS
GROUNDWORK



LEVERAGE



ADDRESSING
CAPITAL BARRIERS

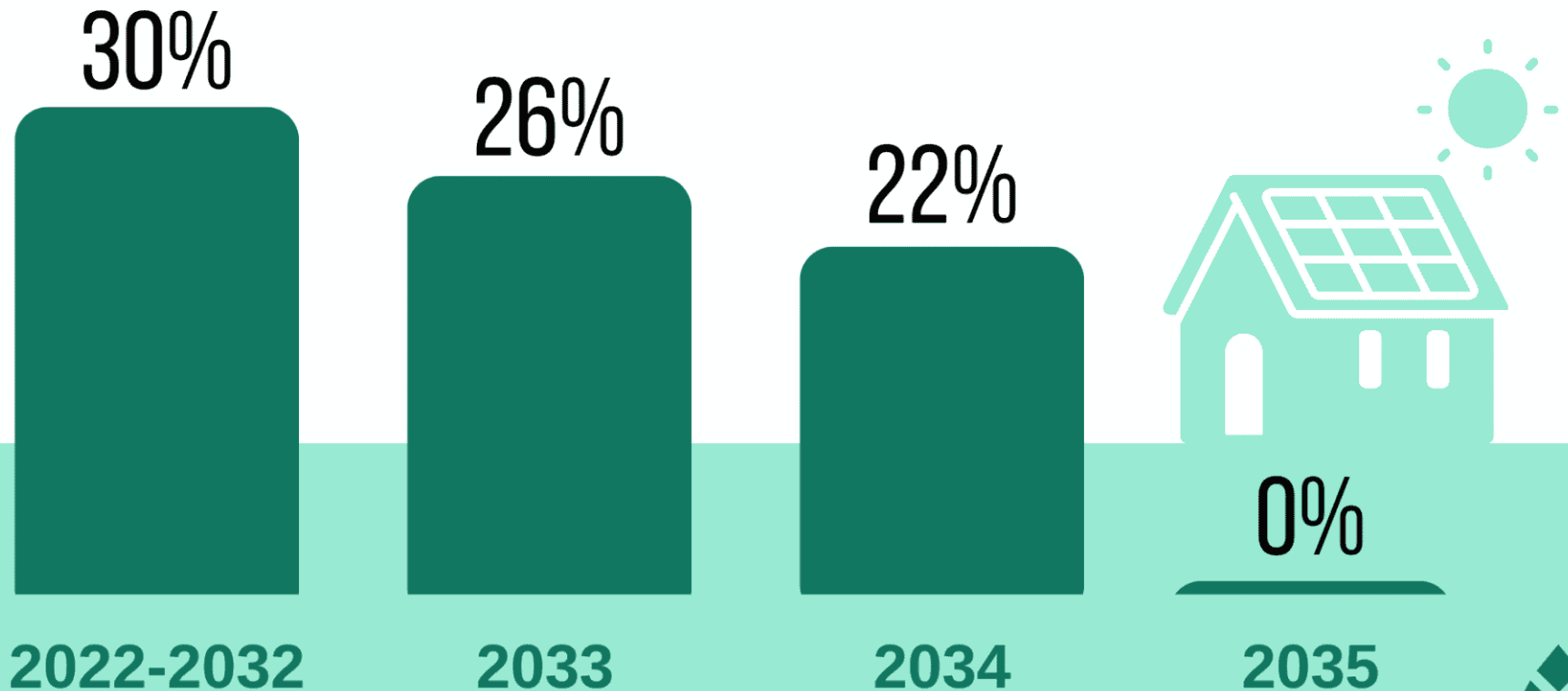


INTEGRATION

Leveraging Federal Resources



THE SOLAR INVESTMENT TAX CREDIT



Solar Investment Tax Credit

- This credit can be monetized in Puerto Rico, by Puerto Ricans
- Provides 40% to 50% of total project cost, including batteries
- To utilize the credit, a “US Taxpayer” needs to be the owner of the system

Solar Investment Tax Credit

SUNRUN



Inflation Reduction Act

- **Additional ways to monetize the credit**
 - Local government (including in PR) and 501c3 nonprofits have a direct pay option (full value of the credit is refunded by the IRS)
 - Businesses can transfer tax credits (sell them with less legal expense than tax equity partnerships would involve)

Two Potential Partners



ConSOLcío
A Consortium for the Sun

ConSOlcio Funding Partners

The Leon Lowenstein
Foundation

THE
KRESGE
FOUNDATION

SCHMIDT  FAMILY FOUNDATION

What can filantropía do?

- Support community-based efforts that monetize the credits
- If you are supporting projects that are not using the credits ask questions and share information
- If interested in supporting a platform that will help people and organizations in Puerto Rico leverage the credits, join us for a funder learning event week of December 11th