



Adam M. Cohen

Partner
303.295.8372
Denver
acohen@hollandhart.com

Extensions for Renewable Energy Projects

Insight — 05/29/2020

In Notice 2020-41, issued May 27, 2020, the IRS extended the deadline for certain time-sensitive actions with respect to qualifying renewable energy projects for production tax credits (PTCs) and investment tax credits (ITCs).

For projects that began construction in 2016 and 2017, the guidance adds an additional year to the four-year continuity safe harbor, giving these projects five years to be placed in service. In other words, for a project that began construction in 2016, the project must be placed in service by December 31, 2021 to be deemed to have met the continuity requirements of past notices. Additionally, the guidance provides that taxpayers who began construction on a project after September 16, 2019 by paying for services or property equal to at least 5 percent of the total project costs, and reasonably expected to receive such services or property within 3.5 months of payment and that have adopted the 3.5-month accounting method, have until October 15, 2020 to receive the property or services.

There are no filing or other special requirements to take advantage of these extensions.

This publication is designed to provide general information on pertinent legal topics. The statements made are provided for educational purposes only. They do not constitute legal or financial advice nor do they necessarily reflect the views of Holland & Hart LLP or any of its attorneys other than the author(s). This publication is not intended to create an attorney-client relationship between you and Holland & Hart LLP. Substantive changes in the law subsequent to the date of this publication might affect the analysis or commentary. Similarly, the analysis may differ depending on the jurisdiction or circumstances. If you have specific questions as to the application of the law to your activities, you should seek the advice of your legal counsel.