PHOTOVOLTAIC ENERGY TAX RELIEF PACKAGE

Final recommended legislative proposal for Saint Lucia

Replacement resolution, VAT Order, Income Tax Amendment Bill, explanatory memorandum and implementation framework

PREPARED BY	Saint Lucia Policy Analysis (SLPA)
DATE	11 August 2026
STATUS	Final policy proposal for parliamentary and public review

Counsel-ready policy text. Formal enactment requires settlement by Parliamentary Counsel, final national tariff certification by the Comptroller of Customs, and the ordinary constitutional and parliamentary process.

Contents

Navigation note. The document uses native Word headings for the navigation pane and PDF bookmarks.

Executive decision

Parliament should support a temporary photovoltaic tax package, but it should not enact the texts presently before it without material correction. The public purpose is sound: lower the upfront cost of distributed solar electricity, reduce exposure to imported fuel, support household and business resilience, and contribute to Saint Lucia's energy and emissions commitments. The current drafts, however, contain tariff errors, an overbroad goods list, a service placed in the goods subsection, mismatched time periods, regressive and weakly bounded income-tax deductions, and an indeterminate clawback.

This replacement package makes five core changes:

1. It keeps a five-year VAT zero rate, beginning only after lawful publication, and applies it to accurately described, new and approved photovoltaic equipment and qualifying installation services.
2. It replaces the proposed personal income-tax deduction with a flat refundable residential credit equal to 20 per cent of net qualifying expenditure, capped at EC$5,000 per residential premises for the full five-year programme.
3. It replaces uncapped business expensing with a non-refundable 15 per cent credit for qualifying micro and small enterprises, capped at EC$15,000 per business premises and EC$30,000 per taxpayer or connected group, with a three-year carry-forward.
4. It creates objective certification, invoice, anti-duplication, recapture, reporting and review rules. An ordinary sale of premises does not trigger recapture where the system remains fixed and in qualifying use in Saint Lucia.
5. It requires a public mid-term evaluation and preserves automatic expiry. Renewal would require a new parliamentary decision.

The proposed residential credit is deliberately flat. Under a deduction, the same EC$20,000 expenditure can produce a larger tax benefit for a person in a higher marginal tax band and no benefit for a person with no chargeable income. A refundable credit provides the same percentage benefit regardless of marginal rate, subject to one transparent cap. This approach also responds to the IMF's January 2026 recommendation that Saint Lucia replace regressive pre-tax breaks with flat tax credits while controlling tax expenditures.

At the existing 12.5 per cent VAT rate, complete removal of VAT from an unchanged pre-tax price can reduce the former VAT-inclusive price by at most 11.11 per cent. That is a mathematical ceiling, not a guaranteed retail saving. The package therefore requires itemised invoices and public price monitoring rather than assuming full pass-through.

Recommended parameters

Element	Final recommended rule
VAT relief	Zero rate for qualifying goods and qualifying installation services
Commencement	Sixtieth day after Gazette publication of the approved Order
Duration	Exactly five years from commencement
Residential credit	20% of net qualifying expenditure
Residential cap	EC$5,000 per residential premises for the programme
Residential refundability	Fully refundable after any lawful offset of tax arrears
Micro and small enterprise credit	15% of net qualifying expenditure
Business cap	EC$15,000 per premises and EC$30,000 per taxpayer or connected group
Business carry-forward	Three succeeding income years
Equipment	New, approved and documented equipment used solely or principally in a fixed PV system in Saint Lucia

Element	Final recommended rule
Batteries	Stationary storage connected to a qualifying PV system; no automotive, marine, traction, UPS, power-bank or portable consumer battery
Installation	Licensed electrical work and required inspection/certification
Recapture	Five-year declining schedule for removal, export, separate disposal or disqualifying conversion
Ordinary property sale	No recapture if the system remains fixed, operational and in qualifying use in Saint Lucia
Review	Independent review after 24 months; report to Parliament within 30 months
Sunset	Automatic; any extension requires fresh parliamentary authority

Why this version is stronger

It corrects the tariff table

The attached VAT draft treats subheadings 8541.41, 8541.42, 8541.43 and 8541.49 as solar panels. Saint Lucia Customs identifies 8541.41 as light-emitting diodes, 8541.42 as unassembled photovoltaic cells, 8541.43 as photovoltaic cells assembled in modules or panels, and 8541.49 as other devices. Finished panels therefore belong under 8541.43. The draft also places MC4 electrical connectors under 8536.70, which is for optical-fibre connectors; the relevant electrical connector family is 8536.69, subject to final national tariff classification.

This proposal uses six-digit official subheadings with a substantive photovoltaic-use test. A broad customs heading is never enough by itself. Before gazettal, Customs should map each six-digit subheading to the live national statistical suffix used in ASYCUDA. That is a mechanical classification certification, not an unresolved policy choice.

It puts services in the correct part of Schedule 1

The present draft inserts photovoltaic installation services into item 2(1), which is the goods subsection. This proposal deletes the expired service paragraph from item 2(1) and inserts the new service relief in item 2(2), where zero-rated services belong.

It aligns the dates

The current VAT proposal covers five years, while the proposed income years 2026 to 2031 cover six tax years and extend beyond the VAT period. This proposal uses one common relief period, measured by exact dates from lawful commencement to the day before the fifth anniversary.

It limits leakage without excluding legitimate systems

Core equipment qualifies only if it is new, on a public approved-equipment register, and supported by technical specifications. Generic cables, control devices, meters and communications equipment qualify only when they are itemised as necessary parts of a documented system or replacement. Portable power stations, vehicle batteries, ordinary computers, routers, Ethernet switches, general rewiring and ordinary roof works are excluded.

It makes recovery objective

The current Income Tax Bill says that a deduction becomes unavailable after a sale and that "deducted income tax" must be repaid on a basis the Comptroller considers reasonable. A deduction is not deducted tax, and the clause supplies no formula or exceptions. This proposal recaptures only the credit actually allowed, under a published declining table, and only for an identified disqualifying event. It also provides notice, reasons and ordinary objection and appeal rights.

It makes the fiscal cost visible

The Minister must publish annual aggregate data on revenue forgone, claims, installed capacity, prices, geographic and income distribution, compliance and recapture. Taxpayer identities remain protected. An independent 24-month review must assess cost-effectiveness, equity, safety, grid effects, competition and pass-through.

Fiscal and distributional note

The package does not pretend that a tax incentive alone can solve access. Even a refundable credit is normally received after purchase, so low-income households may still lack upfront finance, suitable roofs or control over rented premises. Government should establish, by a separate appropriation, a Solar Access Facility for low-income households, social housing and community facilities. A first phase could use utility or agency ownership, maintenance and bill credits, or concessional on-bill finance. The tax legislation should not create an uncapped spending programme by implication.

The residential credit is capped at EC$5,000. At a 20 per cent rate, the full credit is reached at EC$25,000 of net qualifying expenditure. If VAT is fully passed through, a claimant at the cap would receive a point-of-sale VAT benefit plus a fixed EC$5,000 income-tax credit. The benefit is clear, predictable and equal across marginal tax rates.

The micro and small enterprise credit is non-refundable because businesses ordinarily receive the benefit through tax payable. A three-year carry-forward accommodates a low-profit or start-up period. Larger firms remain eligible for ordinary capital allowances under the Income Tax Act and do not require an additional uncapped photovoltaic concession.

PART I. RESOLUTION OF PARLIAMENT

VALUE ADDED TAX ACT, CAP. 15.42

Resolution of Parliament to approve the draft Value Added Tax (Amendment of Schedule 1) (Photovoltaic Relief) Order, 2026

SAINT LUCIA

STATUTORY INSTRUMENT, 2026, No. [ ]

RESOLUTION

WHEREAS section 109(1)(a) of the Value Added Tax Act, Cap. 15.42 authorises the Minister responsible for finance, by Order published in the Gazette, to amend the Schedules to that Act;

AND WHEREAS section 109(2) of that Act requires an Order made under section 109(1) to be subject to affirmative resolution of Parliament, except where the amendment relates only to customs tariff headings;

AND WHEREAS the Minister responsible for finance has laid before Parliament the draft Value Added Tax (Amendment of Schedule 1) (Photovoltaic Relief) Order, 2026, which establishes a temporary and conditional zero rate for qualifying photovoltaic goods and qualifying photovoltaic installation services;

AND WHEREAS Parliament considers that the relief should be limited to new and approved equipment, supported by accurate tariff classification, technical documentation, licensed installation, electrical certification, itemised invoices, public reporting and automatic expiry;

BE IT RESOLVED that Parliament, by affirmative resolution, approves the draft Value Added Tax (Amendment of Schedule 1) (Photovoltaic Relief) Order, 2026 set out in the Schedule to this Resolution.

BE IT FURTHER RESOLVED that, before the Order is made and published, the Minister responsible for finance shall obtain written certification from the Comptroller of Customs that each national tariff code used in the final Order corresponds to the six-digit subheading and limiting product description approved by Parliament.

BE IT FURTHER RESOLVED that the Minister responsible for finance shall cause the first annual photovoltaic tax-relief report required under the companion Income Tax (Photovoltaic Relief) (Amendment) Act, 2026 to include a baseline and an assessment of consumer price pass-through.

Passed in the House of Assembly this [ ] day of [ ], 2026.

....

Speaker of the House of Assembly

Passed in the Senate this [ ] day of [ ], 2026.

....

President of the Senate

PART II. DRAFT VALUE ADDED TAX ORDER

VALUE ADDED TAX (AMENDMENT OF SCHEDULE 1) (PHOTOVOLTAIC RELIEF) ORDER, 2026

SAINT LUCIA

STATUTORY INSTRUMENT, 2026, No. [ ]

In exercise of the power conferred by section 109 of the Value Added Tax Act, Cap. 15.42, the Minister responsible for finance makes this Order:

1. Citation

This Order may be cited as the Value Added Tax (Amendment of Schedule 1) (Photovoltaic Relief) Order, 2026.

2. Commencement

This Order comes into force on the sixtieth day after the date of its publication in the Gazette.

3. Amendment of Schedule 1

Schedule 1 to the Value Added Tax Act, Cap. 15.42 is amended in the manner set out in sections 4 to 7.

4. Amendment of paragraph 1 of Schedule 1

Paragraph 1 of Schedule 1 is amended by inserting, in the appropriate alphabetical order, the following definitions:

> **"approved equipment register"** means the public register of photovoltaic equipment models and product classes published for the purposes of this Schedule by the Minister responsible for energy, after consultation with the Saint Lucia Bureau of Standards, the Comptroller of Customs, the Comptroller, the Chief Electrical Inspector and the holder of an electricity supply licence;
>
> **"approved photovoltaic equipment"** means new and unused equipment that:
>
> (a) is described in the Table to paragraph 2(1)(n);
>
> (b) is designed solely or principally for a qualifying photovoltaic system;
>
> (c) is a model or product class entered in the approved equipment register; and
>
> (d) complies with the safety, performance, electrical, grid-interface, wind-load, corrosion-resistance, warranty and traceability requirements stated in that register;
>
> **"completion certificate"** means a certificate that identifies the installation address, system capacity, storage capacity, equipment models and serial numbers where applicable, the licence number of the person responsible for the electrical work, the date placed in service and the certificate of approval required under the Electricity Supply Act or regulations made under that Act;
>
> **"conditional ancillary equipment"** means new and unused equipment described as conditional ancillary equipment in the Table to paragraph 2(1)(n) that:
>
> (a) is reasonably required for the safe installation or operation of a qualifying photovoltaic system;
>
> (b) is itemised in the system design, bill of quantities, qualifying invoice or documented replacement record;
>
> (c) is designed solely or principally for that system, or is certified by the licensed installer as essential to that system; and
>
> (d) does not primarily perform a general building, telecommunications, information-technology or consumer-electronics function;
>
> **"photovoltaic-use declaration"** means a declaration in the form approved by the Comptroller that identifies the purchaser or importer, supplier, proposed installation address, approved equipment, intended installer and expected completion date, and states that the goods are acquired for installation in, or resale solely for installation in, a qualifying photovoltaic system in Saint Lucia;
>
> **"placed in service"** means installed, capable of operating for its intended purpose and commissioned;

"qualifying photovoltaic installation service" means design directly attributable to installation, installation, assembly, mounting, system wiring, protection, commissioning, inspection or testing of a qualifying photovoltaic system, including an eligible replacement or extension, but does not include:

(a) ordinary roof replacement or repair;

(b) general structural or building work, except anchoring or reinforcement directly and exclusively required for the photovoltaic mounting system;

(c) general electrical rewiring not directly required for the photovoltaic system;

(d) a fossil-fuel generator or work related to such a generator;

(e) financing, insurance or an extended warranty;

(f) internet, data or telecommunications service;

(g) ordinary cleaning or maintenance after commissioning; or

(h) work relating to a portable consumer power product;

"qualifying photovoltaic invoice" means a tax invoice or sales receipt that separately states:

(a) each qualifying good or service and each non-qualifying good or service;

(b) the applicable customs tariff subheading and limiting photovoltaic description;

(c) the manufacturer, model and serial or batch number, where applicable;

(d) the pre-tax consideration, the amount zero-rated and any amount taxed at another rate;

(e) the installation address or system registration number;

(f) the licensed wireman or linesman number where installation services are supplied; and

(g) the words "VAT zero-rated photovoltaic relief";

"qualifying photovoltaic system" means a fixed on-grid or off-grid electrical installation in Saint Lucia whose primary purpose is to convert sunlight into electricity and which includes approved photovoltaic modules and, as applicable, approved equipment for mounting, conversion, control, protection, monitoring, electrical interconnection and stationary energy storage, but does not include:

(a) a solar water-heating or other solar-thermal system;

(b) a fossil-fuel generating set;

(c) a vehicle, marine or traction system;

(d) a portable power station, uninterruptible power supply, power bank or consumer product in which a photovoltaic cell is incidental; or

(e) ordinary roofing, structural, telecommunications or information-technology equipment;

"relief period" means the period beginning on the commencement of the Value Added Tax (Amendment of Schedule 1) (Photovoltaic Relief) Order, 2026 and ending immediately before the fifth anniversary of that commencement.

5. Replacement of paragraph 2(1)(n) of Schedule 1

Paragraph 2(1)(n) of Schedule 1 is deleted and the following is substituted:

"(n) during the relief period:

(i) a supply of approved photovoltaic equipment described as core equipment in the Table to this paragraph, where the supplier obtains and retains the manufacturer's technical specification and a photovoltaic-use declaration;

(ii) a supply of conditional ancillary equipment described in the Table, where the supplier also retains a system design, bill of quantities, qualifying photovoltaic invoice or documented replacement record that connects the equipment to a qualifying photovoltaic system in Saint Lucia; and

(iii) a supply of approved photovoltaic equipment or conditional ancillary equipment as a warranty replacement or an extension to an existing qualifying photovoltaic system, where the replacement or extension is documented and, after installation, forms part of that system.

TABLE: QUALIFYING PHOTOVOLTAIC GOODS

A reference to "ex" limits relief to the goods in the corresponding photovoltaic description. The tariff subheading and the photovoltaic description must both be satisfied.

Customs subheading	Category	Limiting photovoltaic description
ex 7308.90	Core	Iron or steel mounts, rails and structural parts purpose-built for fixed photovoltaic modules
ex 7610.90	Core	Aluminium mounts, rails and structural parts purpose-built for fixed photovoltaic modules
ex 8501.80	Core	Photovoltaic alternating-current generators entered in the approved equipment register
ex 8504.40	Core	Photovoltaic inverters, microinverters and charge controllers entered in the approved equipment register
ex 8507.20	Core	New stationary lead-acid electrical storage designed and certified for a qualifying photovoltaic system; excluding starter, automotive, marine, traction and portable batteries
ex 8507.60	Core	New stationary lithium-ion electrical storage, including an integral battery-management system, designed and certified for a qualifying photovoltaic system; excluding starter, automotive, marine, traction, UPS, power-bank and portable batteries
ex 8507.80	Core	Other new stationary electrical storage designed and certified for a qualifying photovoltaic system; excluding starter, automotive, marine, traction, UPS, power-bank and portable batteries
8541.43	Core	Photovoltaic cells assembled in modules or made up into panels and entered in the approved equipment register
ex 8536.10	Conditional ancillary	Fuses specified for the qualifying system
ex 8536.20	Conditional ancillary	Automatic circuit breakers specified for the qualifying system
ex 8536.30	Conditional ancillary	Other direct-current or alternating-current surge and protection devices specified for the qualifying system
ex 8536.50	Conditional ancillary	Direct-current or alternating-current isolator switches specified for the qualifying system
ex 8536.69	Conditional ancillary	Photovoltaic electrical plugs, sockets and connectors, including MC4-compatible connectors; excluding optical-fibre connectors
ex 8536.90	Conditional ancillary	Photovoltaic junction boxes and dedicated battery connection equipment
ex 8537.10	Conditional ancillary	Photovoltaic combiner, distribution and control boxes for a voltage not exceeding 1,000 volts
ex 8544.42	Conditional ancillary	Photovoltaic-rated insulated electrical conductors not exceeding 1,000 volts and fitted with connectors
ex 8544.49	Conditional ancillary	Other photovoltaic-rated insulated electrical conductors not exceeding 1,000 volts
ex 8544.60	Conditional ancillary	Photovoltaic-rated insulated electrical conductors exceeding 1,000 volts
ex 9028.30	Conditional ancillary	Dedicated electricity production, import, export or system meters specified for the qualifying system
ex 9032.89	Conditional ancillary	Dedicated photovoltaic control and monitoring instruments specified for the qualifying system
ex 8471.90 or ex 8517.62	Conditional ancillary	Dedicated data logger or communications gateway integrated into, or supplied solely for, the qualifying system; excluding general computers, routers, Ethernet switches and general network equipment

> (iv) Goods under subheadings 8502.39, 8536.70, 8541.41, 8541.42 and 8541.49 do not qualify under this paragraph merely by being described by a supplier as a complete system, connector or solar panel.
>
> (v) Conditional ancillary equipment must not exceed 15 per cent of the consideration for core equipment in the same installation, unless the Comptroller gives written approval before the supply on evidence that the higher amount is technically necessary.
>
> (vi) Only the qualifying portion of a mixed supply is zero-rated, and the consideration must be apportioned on a fair-market-value basis.
>
> (vii) A supplier must retain the qualifying photovoltaic invoice, photovoltaic-use declaration, manufacturer's specification and supporting system documentation for the period required under section 69 of the Act.
>
> (viii) A photovoltaic-use declaration does not bind the Comptroller where the supplier knew or ought reasonably to have known that the declaration was false or that the goods were intended for substantial non-photovoltaic use.
>
> (ix) Classification under a customs tariff subheading is determined under customs law. Eligibility for zero-rating is determined under this paragraph and section 16 of the Act.
>
> (x) Nothing in this paragraph confers a right to connect a system to an electricity network or to export or sell electricity."

6. Deletion of paragraph 2(1)(o) of Schedule 1

Paragraph 2(1)(o) of Schedule 1 is deleted.

7. Amendment of paragraph 2(2) of Schedule 1

Paragraph 2(2) of Schedule 1 is amended by inserting, immediately after paragraph (m), the following:

> **"(n)** during the relief period, a supply of a qualifying photovoltaic installation service where:
>
> (i) the electrical work is performed by or under the supervision of a person holding the licence required under the Electricity Supply Act;
>
> (ii) the service is separately identified on a qualifying photovoltaic invoice;
>
> (iii) the supplier obtains the certificate of approval required under the Electricity Supply Act or regulations made under that Act within 180 days after the system is placed in service; and
>
> (iv) where the required certificate is not obtained within that period, the supplier makes the adjustment required under the Act and issues the appropriate tax debit note, unless the Comptroller extends the period in writing because delay outside the control of the supplier or recipient is proved.
>
> For the avoidance of doubt, a qualifying photovoltaic installation service includes installation of approved stationary storage or an eligible replacement or extension to an existing qualifying photovoltaic system."

Made this [ ] day of [ ], 2026.

....

PHILIP J. PIERRE

Minister responsible for finance

PART III. INCOME TAX (PHOTOVOLTAIC RELIEF) (AMENDMENT) BILL

EXPLANATORY MEMORANDUM

Purpose

The Bill replaces the proposed extension of photovoltaic deductions with a flat, capped and monitored credit. It creates:

- a refundable residential photovoltaic credit of 20 per cent of net qualifying expenditure, capped at EC$5,000 per residential premises for the full relief period;
- a non-refundable micro and small enterprise credit of 15 per cent of net qualifying expenditure, capped at EC$15,000 per business premises and EC$30,000 per taxpayer or connected group, with a three-year carry-forward;
- approved-equipment, licensed-installer, completion-certificate, invoice and record requirements;
- objective recapture rules and exclusions for ordinary property sales, death, disaster, compulsory acquisition, warranty replacement and qualifying relocation;
- annual aggregate publication, a 24-month independent review and automatic expiry.

The Bill does not extend the expired deductions in sections 38(1)(v) and 59C of the principal Act. Lawful deductions relating to the former 2023 to 2025 programme remain protected. The existing general cap in section 44 is not restated, avoiding accidental disturbance of the EC$40,000 cap and the current treatment of personal and medical allowances under the Income Tax (Amendment) Act, No. 2 of 2026.

Clauses

Clause 1 provides for the short title and commencement on assent. The substantive credit period begins with the companion Value Added Tax Order, which starts 60 days after Gazette publication. Clause 2 defines the principal Act. Clause 3 inserts a new Division 1A into Part 7 of the principal Act. New sections 75G to 75Q establish definitions, the approved-equipment register, residential and small-business credits, qualifying expenditure, claims, refunds and carry-forward, recapture, reporting, regulations and sunset. Clauses 4 and 5 require annual reporting and an independent review. Clause 6 provides for regulations. Clause 7 preserves former lawful claims and the continued administration of claims after expiry.

ARRANGEMENT OF SECTIONS

A BILL

ENTITLED

AN ACT to amend the Income Tax Act, Cap. 15.02 to establish temporary, flat and capped tax credits for qualifying photovoltaic systems and to provide for administration, recapture, reporting, review and related matters.

BE IT ENACTED by the King's Most Excellent Majesty, by and with the advice and consent of the House of Assembly and Senate of Saint Lucia, and by the authority of the same, as follows:

1. Short title and commencement

1. (1) This Act may be cited as the Income Tax (Photovoltaic Relief) (Amendment) Act, 2026.

(2) This Act comes into force on the date of assent.

2. Interpretation

2. In this Act, **"principal Act"** means the Income Tax Act, Cap. 15.02.

3. Insertion of Division 1A in Part 7

3. Part 7 of the principal Act is amended by inserting, immediately after section 75F, the following new Division:

"DIVISION 1A. PHOTOVOLTAIC TAX CREDITS

75G. Interpretation for Division 1A

75G. In this Division:

"approved photovoltaic equipment" means new and unused equipment that:

(a) is designed solely or principally for a qualifying photovoltaic system;

(b) is a model or product class entered in the approved equipment register; and

(c) complies with the technical and documentary requirements applicable to that model or class;

"approved equipment register" means the register established under section 75H;

"business premises" means premises in Saint Lucia at which a qualifying enterprise carries on business and produces assessable income, but does not include premises used principally as the residence of an owner, shareholder, partner or connected person;

"completion certificate" means the certificate described in paragraph 1 of Schedule 1 to the Value Added Tax Act for a qualifying photovoltaic system and includes the certificate of approval required under the Electricity Supply Act or regulations made under that Act;

"conditional ancillary equipment" has the meaning assigned in paragraph 1 of Schedule 1 to the Value Added Tax Act;

"connected group" means a taxpayer and every person that controls, is controlled by, or is under common control with that taxpayer, and for this purpose control includes direct or indirect beneficial ownership of more than 50 per cent of voting power, capital, income or assets;

"credit actually allowed" includes a credit set off against tax payable, carried forward and later set off, refunded, or applied against another tax, interest or penalty owed by the claimant;

"net qualifying expenditure" has the meaning assigned by section 75K;

"placed in service" means installed at premises in Saint Lucia, capable of operating for its intended purpose and supported by the required completion certificate;

"qualifying enterprise" means a micro business enterprise or small scale business enterprise within the meaning of the Micro and Small Scale Business Enterprises Act, whether or not separately declared under that Act, that is registered under the Companies Act or Registration of Business Names Act and is compliant with filing obligations administered by the Inland Revenue Department, or has an arrangement accepted by the Comptroller for curing non-compliance;

"qualifying photovoltaic installation service" has the meaning assigned in paragraph 1 of Schedule 1 to the Value Added Tax Act;

"qualifying photovoltaic system" means a fixed on-grid or off-grid system installed at premises in Saint Lucia whose primary purpose is to convert sunlight into electricity and which includes approved photovoltaic modules and, as applicable, approved equipment for mounting, conversion, control, protection, monitoring, electrical interconnection and stationary energy storage, but does not include:

(a) a solar water-heating or other solar-thermal system;

(b) a fossil-fuel generating set;

(c) a vehicle, marine or traction system;

(d) a portable power station, uninterruptible power supply, power bank or portable consumer product; or

(e) ordinary roofing, structural, telecommunications or information-technology equipment;

"qualifying residential premises" means a dwelling in Saint Lucia that is the sole or principal residence of the claimant and that the claimant:

(a) owns alone or jointly;

(b) occupies rent-free as a member of the owner's family with the owner's written consent to the installation; or

(c) lawfully occupies under a written residential tenancy with the owner's written consent to the installation;

"relief period" means the period beginning on the commencement of the Value Added Tax (Amendment of Schedule 1) (Photovoltaic Relief) Order, 2026 and ending immediately before the fifth anniversary of that commencement.

75H. Approved equipment register and certification

75H. (1) Before the beginning of the relief period, the Minister responsible for energy shall, after consultation with the Saint Lucia Bureau of Standards, the Comptroller, the Comptroller of Customs, the Chief Electrical Inspector and the holder of an electricity supply licence:

(a) designate a public officer to maintain the approved equipment register;

(b) publish the register in the Gazette and on an official website in a searchable form; and

(c) publish the evidence required to add, suspend or remove a model or product class.

(2) The register must state requirements appropriate to each equipment class, including applicable safety, performance, electrical, grid-interface, wind-load, corrosion-resistance, warranty and traceability standards.

(3) The requirements may adopt a standard issued by the Saint Lucia Bureau of Standards or an international or regional standards body, and must be reviewed at least once every two years.

(4) A non-emergency addition or removal from the register takes effect prospectively on at least 90 days' public notice.

(5) The designated officer may immediately suspend a model where credible evidence shows a material risk to safety, grid stability or consumer protection, but shall publish reasons and provide the manufacturer or supplier a reasonable opportunity to respond.

(6) Entry in the register does not confer a right to connect a system to an electricity network or to export or sell electricity.

75I. Residential photovoltaic tax credit

75I. (1) Subject to this Division, a resident individual who incurs net qualifying expenditure during the relief period on a qualifying photovoltaic system placed in service at qualifying residential premises is entitled to a tax credit equal to 20 per cent of that expenditure.

(2) The aggregate credit under this section for qualifying residential premises must not exceed $5,000 during the relief period, irrespective of the number of systems, components, claimants or income years concerned.

(3) A claimant is entitled only to the portion of the credit attributable to expenditure that the claimant proves he or she paid and was not reimbursed.

(4) Two or more contributors may file a joint allocation statement, but their aggregate credit remains subject to subsection (2).

(5) In the absence of a valid joint allocation statement, the Comptroller shall allocate the credit in proportion to documented payments and give written reasons for the allocation.

(6) A tenant or family occupier may claim only with the written consent of the owner and only if the system becomes a fixture or is otherwise required by agreement to remain for qualifying use at premises in Saint Lucia.

(7) The credit is allowed for the income year in which the system or eligible replacement or extension is placed in service.

75J. Micro and small enterprise photovoltaic tax credit

75J. (1) Subject to this Division, a person carrying on a qualifying enterprise who incurs net qualifying expenditure during the relief period on a qualifying photovoltaic system placed in service at business premises is entitled to a non-refundable tax credit equal to 15 per cent of that expenditure.

(2) The system must be used at least 80 per cent for producing assessable income of the qualifying enterprise.

(3) Incidental export of electricity under a lawful net-billing, net-metering or similar arrangement does not disqualify the system, but a system used principally to generate electricity for sale to the public does not qualify under this section.

(4) The aggregate credit under this section must not exceed:

(a) $15,000 for a business premises during the relief period; and

(b) $30,000 for a taxpayer and connected group during the relief period.

(5) The claimant shall disclose every member of the connected group and every credit claimed or intended to be claimed by that group.

(6) A credit under this section is set off against income tax payable for the income year in which the system is placed in service.

75K. Net qualifying expenditure

75K. (1) Net qualifying expenditure is arm's-length expenditure actually paid and borne by the claimant for:

(a) approved photovoltaic equipment;

(b) conditional ancillary equipment that satisfies paragraph 2(1)(n) of Schedule 1 to the Value Added Tax Act;

(c) a qualifying photovoltaic installation service;

(d) a required electrical inspection and completion certificate; and

(e) an eligible replacement or extension that is separately documented and has not previously benefited from a credit.

(2) Net qualifying expenditure is reduced by:

(a) a grant, rebate, subsidy, vendor credit, price adjustment or other public assistance;

(b) an insurance or warranty payment relating to the expenditure;

(c) an amount paid or reimbursed by another person;

(d) VAT or another tax that was not lawfully chargeable, is refundable, or is recoverable as input tax; and

(e) an amount used to calculate a deduction, allowance, credit or other tax benefit under another provision or enactment.

(3) Net qualifying expenditure does not include:

(a) interest, finance charges, insurance premiums or an extended warranty;

(b) used or reconditioned equipment;

(c) land or building acquisition;

(d) ordinary roof replacement or repair;

(e) general construction or structural work, except anchoring or reinforcement directly and exclusively required for the photovoltaic mounting system;

(f) general electrical rewiring not directly required for the photovoltaic system;

(g) a fossil-fuel generator;

(h) a portable power station, uninterruptible power supply, power bank, vehicle battery, marine battery, traction battery or portable consumer product;

(i) general computer, router, Ethernet switch or telecommunications equipment;

(j) routine cleaning, maintenance or repair after commissioning; or

(k) expenditure that is not supported by the records required under section 75L.

(4) Where a transaction is not at arm's length, net qualifying expenditure is limited to the lower of the amount actually paid and fair market value.

75L. Claim, evidence, apportionment and time limit

75L. (1) A claim must be made in the approved form with the return of income for the relevant income year or, for an individual not otherwise required to file a return, by a simplified claim filed within 12 months after the end of that income year.

(2) A claim must include:

(a) a qualifying photovoltaic invoice and proof of payment;

(b) the completion certificate;

(c) the system registration number and installation address;

(d) manufacturer specifications and evidence that the equipment was entered in the approved equipment register when acquired;

(e) details of every grant, rebate, subsidy, insurance or warranty payment, vendor credit and contribution by another person;

(f) the owner's consent, where the claimant is a tenant or family occupier;

(g) a joint allocation statement, where applicable; and

(h) for a qualifying enterprise, evidence of its status, tax compliance and the percentage of business use.

(3) A claimant and supplier must retain relevant records until the later of:

(a) seven years after the end of the income year to which the claim relates; and

(b) two years after the end of the recapture period under section 75N.

(4) The Comptroller may require an independent valuation, technical inspection or further document that is reasonably necessary to determine a claim and shall give written reasons for a refusal or adjustment.

(5) Ordinary objection and appeal rights under Parts 10 and 11 apply to a decision or assessment under this Division.

75M. Refund, carry-forward and priority

75M. (1) A residential credit under section 75I is first set off against tax charged under section 80 for the relevant income year after any credit allowable under sections 82 and 83.

(2) The portion of a residential credit exceeding the tax remaining after subsection (1) is deemed to be tax paid in excess for the purposes of section 129 and is refundable, subject to any lawful set-off under section 129(2).

(3) Section 97(1)(b) applies to an individual entitled to a refund under this section despite the absence of chargeable income.

(4) A business credit under section 75J is set off against tax charged under section 80 after any credit allowable under sections 82 and 83, and must not exceed the tax then remaining for that income year.

(5) A business credit that cannot be used in full in the income year in which the system is placed in service may be carried forward to the next three succeeding income years.

(6) An unused business credit expires after the third succeeding income year and is not refundable or transferable.

(7) After application of the credits under this Division, tax deducted or paid under section 81 is set off in accordance with that section, and any resulting overpayment is dealt with under section 129.

75N. Recapture events and notice

75N. (1) A recapture event occurs if, within 60 months after a qualifying photovoltaic system or material component is placed in service, the claimant:

(a) sells, gifts or otherwise disposes of the system or component separately from the premises;

(b) exports the system or component from Saint Lucia;

(c) permanently removes the system or component from qualifying use;

(d) converts it predominantly to a non-photovoltaic, non-residential or non-business use, as applicable; or

(e) made a material false statement or omitted a material fact in obtaining the credit.

(2) A claimant must notify the Comptroller in the approved form within 90 days after a recapture event, stating the date, affected property, consideration or fair market value and supporting circumstances.

(3) Failure to notify does not prevent assessment or recovery and is subject to the ordinary penalty provisions of the Act.

75O. Recapture amount and excluded events

75O. (1) Subject to subsections (3) to (7), the recapture amount is the portion of the credit actually allowed and attributable to the affected system or component, multiplied by the applicable percentage in the following table:

Complete period from placed-in-service date to event	Percentage recaptured
Less than 12 months	100%
12 months but less than 24 months	80%
24 months but less than 36 months	60%
36 months but less than 48 months	40%
48 months but less than 60 months	20%
60 months or more	0%

(2) The recapture amount is added to tax payable for the income year in which the event occurs and may be assessed under section 98.

(3) Any unused carried-forward business credit attributable to the affected property is cancelled before an amount is recaptured under subsection (1).

(4) Where only a component is affected, the attributable credit is determined by the ratio of net qualifying expenditure for that component to total net qualifying expenditure supporting the credit. If the invoice does not identify the component, the Comptroller shall use its fair-market-value share and give written reasons.

(5) No recapture arises from:

(a) an arm's-length sale or transfer of premises where the system remains fixed, operational and in qualifying use in Saint Lucia;

(b) death of the claimant;

(c) transfer to a spouse or former spouse under a matrimonial agreement or court order;

(d) theft, hurricane, fire, flood, compulsory acquisition or irreparable damage not caused by a deliberate act of the claimant, supported by prescribed evidence;

(e) replacement under a manufacturer warranty or insurance arrangement where the replacement remains in qualifying use;

(f) removal and reinstallation at another qualifying premises in Saint Lucia within 180 days, followed by a new completion certificate; or

(g) transfer to a connected person where transferor and transferee jointly elect within 90 days for the transferee to assume the original placed-in-service date and remaining obligations.

(6) A warranty-funded or insurance-funded replacement inherits the original placed-in-service date to the extent funded by the warranty or insurance. New net expenditure borne by the claimant is treated as a separate expenditure tranche.

(7) A material false claim or duplicate claim is fully recoverable under the Act, together with applicable interest and penalties, without reduction under subsection (1).

(8) A person who acquires premises with a system that benefited from a credit is not entitled to a second credit for the same expenditure or existing equipment.

75P. Aggregate data and taxpayer confidentiality

75P. (1) The Comptroller shall maintain data reasonably necessary to administer and evaluate this Division, including the value of qualifying expenditure, credit allowed, district, claimant class, income band, system capacity, storage capacity, recapture and audit adjustment.

(2) Data published under this Division or the amending Act must be anonymised and aggregated so that a taxpayer is not identified and cannot reasonably be identified.

(3) Nothing in this Division authorises public disclosure of a tax return, invoice or taxpayer-specific information.

75Q. Regulations and expiry

75Q. (1) The Minister may make regulations, subject to affirmative resolution of Parliament, for:

(a) claim, declaration, allocation, completion and recapture forms;

(b) standards, certification, invoice and record requirements;

(c) procedures for adding, suspending and removing equipment from the approved equipment register;

(d) evidence of qualifying enterprise status, residential occupation, business use, casualty, replacement and relocation;

(e) simplified claims by individuals who are not otherwise required to file a return; and

(f) any administrative matter necessary to give effect to this Division.

(2) Regulations must not increase a credit rate or monetary cap, extend the relief period, make a non-refundable credit refundable, or remove the requirement for affirmative parliamentary authority.

(3) No expenditure first incurred after the end of the relief period qualifies for a credit under this Division.

(4) Expiry does not affect a claim, carry-forward, audit, recapture, assessment, objection, appeal, recovery, record or reporting obligation relating to the relief period."

4. Annual photovoltaic tax-relief report

4. (1) Within six months after the end of each financial year beginning with the financial year in which the relief period defined in section 75G of the principal Act begins, the Minister responsible for finance shall lay before Parliament and publish an annual photovoltaic tax-relief report.

(2) The report must state, in anonymised aggregate form and to the extent data are reasonably available:

(a) revenue forgone from VAT zero-rating and income-tax credits;

(b) the number and value of residential and enterprise claims;

(c) uptake by district, claimant income band and residential or business class;

(d) installed generating capacity and stationary storage capacity;

(e) import quantities and principal equipment categories;

(f) median and distributional installed prices per kilowatt and per kilowatt-hour of storage;

(g) evidence of the extent to which VAT relief was passed through to purchasers;

(h) installer and importer concentration, stock availability and geographic access;

(i) electrical inspection outcomes, faults and consumer complaints;

(j) grid approvals, connection delays and curtailment, where applicable;

(k) audits, adjustments, duplicate claims, recapture and amounts recovered; and

(l) participation by tenants, low-income households and qualifying enterprises.

(3) The Consumer Affairs Department shall establish a pre-relief price baseline and provide aggregate price-monitoring information for the report at 3, 6, 12 and 24 months after the beginning of the relief period.

(4) A public authority supplying information for the report must protect personal data and taxpayer secrecy.

(5) Not later than 30 days before the beginning of the relief period, the Minister responsible for finance shall publish an ex ante estimate of the annual and five-year fiscal cost, expected uptake, administrative cost and principal fiscal risks of the relief.

5. Independent review

5. (1) The Minister responsible for finance shall appoint an independent reviewer not later than 18 months after the beginning of the relief period.

(2) The reviewer shall complete a review of the photovoltaic VAT and income-tax relief after 24 months of operation, and the Minister shall lay the review before Parliament and publish it not later than 30 months after the beginning of the relief period.

(3) The review must assess:

(a) fiscal cost and cost-effectiveness;

(b) additional investment attributable to the relief;

(c) distribution by income, geography, tenure and enterprise size;

(d) consumer price pass-through and market competition;

(e) equipment quality, installation safety, warranty performance and consumer complaints;

(f) electricity-system, resilience and emissions effects;

(g) avoidance, diversion, compliance and administrative cost;

(h) interaction with grants, loans, net billing and other energy policy; and

(i) whether the relief should continue unchanged, be amended or expire.

(4) The report shall include a reasoned recommendation and a fiscal estimate for each option considered.

6. Regulations

6. (1) The Minister may make regulations necessary to implement this Act.

(2) Regulations under this Act are subject to affirmative resolution of Parliament.

7. Saving, sunset and continued operation

7. (1) A deduction lawfully allowable under section 38(1)(v), section 59C or another provision of the principal Act in respect of the former 2023 to 2025 photovoltaic programme remains governed by the law applicable to that expenditure.

(2) Expenditure used for a former deduction cannot be used for a credit under this Act.

(3) A contract entered into before the beginning of the relief period qualifies only if the system or eligible replacement is placed in service during the relief period and the expenditure was not previously deducted, credited or reimbursed.

(4) The expiry of the relief period does not affect the continued operation of a provision concerning a carry-forward, refund, record, audit, recapture, assessment, objection, appeal, recovery, annual report or independent review.

(5) The relief period may be extended only by an Act of Parliament in respect of income-tax credits and by an Order lawfully approved under section 109 of the Value Added Tax Act in respect of VAT.

Passed in the House of Assembly this [ ] day of [ ], 2026.

....

Speaker of the House of Assembly

Passed in the Senate this [ ] day of [ ], 2026.

....

President of the Senate

PART IV. IMPLEMENTATION FRAMEWORK

Actions required before commencement

The relief should not commence until the following actions are complete:

1. Customs certifies the national tariff suffix for every six-digit subheading in the VAT table and updates ASYCUDA concession codes.
2. The Minister responsible for energy publishes the approved-equipment register and application process.
3. The Bureau of Standards, Chief Electrical Inspector, Customs, Inland Revenue and the electricity licensee agree a single data set for system certification.
4. Inland Revenue publishes the photovoltaic-use declaration, invoice guide, residential claim, enterprise claim, joint allocation and recapture notice.
5. Electrical inspectors and licensed practitioners receive implementation guidance, including hurricane wind-load and corrosion requirements.
6. Consumer Affairs records the pre-commencement price baseline.
7. Government publishes an ex ante fiscal estimate and identifies the administrative budget.

Minimum technical criteria for the approved-equipment register

The Act and Order deliberately avoid freezing edition numbers of technical standards. The implementation notice should use current editions or recognised equivalents, including the following standards families where relevant:

- photovoltaic module design qualification and safety, including IEC 61215 and IEC 61730 families;
- inverter and power-conversion safety, including IEC 62109 family;
- stationary battery safety and energy-storage requirements, including IEC 62619 and IEC 62933 families;
- photovoltaic electrical installations, including IEC 60364-7-712;
- system documentation, commissioning tests and inspection, including IEC 62446-1;
- applicable Saint Lucia or OECS building, wind-load, roof-attachment and corrosion requirements; and
- grid-interface and interconnection requirements applicable in Saint Lucia.

Equivalent regional or national standards may be accepted where the Bureau of Standards records the equivalence. The register should also require a manufacturer warranty, model and serial traceability, recall contact, local warranty route, disposal information for batteries and evidence of conformity from a competent body.

Single completion certificate

Government should use one completion record for Energy, Electrical Inspection, Inland Revenue, Customs and aggregate grid planning. It should contain only the fields needed by each body:

- system registration number;
- installation address and district;
- grid-connected or off-grid status;
- module capacity in kilowatts;
- stationary storage capacity in kilowatt-hours;
- equipment manufacturer, model and serial number where available;
- licensed practitioner and licence number;
- electrical certificate number and date placed in service;
- invoice total and qualifying expenditure; and
- claimant consent for lawful administrative verification.

The tax-claim record should not be made public. Only anonymised aggregate data should be published.

Consumer price monitoring

Consumer Affairs should publish a simple dashboard at 3, 6, 12 and 24 months showing:

- median installed price per kilowatt, with and without storage;
- median battery price per kilowatt-hour;
- price ranges by common system size;
- import and retail model availability;
- the share of invoices correctly itemising the zero rate; and
- substantiated complaints about non-pass-through or misleading savings claims.

Price control is not recommended for complete systems because designs, roofs, storage and installation conditions differ. Transparent model-level and unit-price reporting is more workable and allows Parliament to see whether relief reaches purchasers.

Solar Access Facility

Within 12 months, Government should present a separately costed Solar Access Facility for low-income households, social housing, renters and community facilities. A strong first-stage design would combine:

- free or heavily subsidised 1 to 2 kilowatt systems for qualifying low-income households;
- utility, housing-authority or special-purpose ownership and maintenance where household borrowing is impractical;
- bill credits or on-bill repayment with consumer protections;
- roof and electrical-readiness assessment;
- hurricane-resilient installation and insurance arrangements; and
- published selection, waiting-list and outcome data.

Any grant or subsidy must reduce net qualifying expenditure for the tax credit. This prevents double funding while allowing tax and direct-support programmes to serve different households.

Review metrics

The independent reviewer should estimate both gross uptake and additional uptake caused by the relief. A simple before-and-after count is insufficient because some installations would have occurred without tax support. At minimum, the review should use:

- pre-relief installation and import baselines;
- comparison of claimant and non-claimant households or enterprises where lawful and practicable;
- installed capacity per dollar of revenue forgone;
- share of benefit by income band and tenancy status;
- price pass-through and importer/installer concentration;
- avoided fuel-import and electricity-cost scenarios, clearly labelled as estimates;
- failure, warranty, inspection and complaint rates; and
- administrative cost and recovery from non-compliance.

PART V. DRAFTING AND LEGAL NOTES

1. Parliamentary route

Section 109 of the Value Added Tax Act allows the Minister to amend the Schedules by Gazette Order. Because this proposal changes the relief period, substantive conditions and a service, it requires affirmative parliamentary approval and is not merely a tariff-head correction. The approved draft should be made and published only after the required parliamentary process.

2. Imports

Schedule 3, item 1 of the Value Added Tax Act already treats an import as exempt where the corresponding domestic supply would be exempt or zero-rated. A separate Schedule 3 amendment is therefore unnecessary. Customs must nevertheless configure the concession and apply the same equipment, end-use and documentary conditions at import.

3. Other border charges

VAT zero-rating does not automatically settle every customs duty, service charge or fee. Government should publish a charge-by-charge guide before commencement. The Health and Citizen Security Levy Act appears to exempt goods and services that are zero-rated under the VAT Act, but Customs and Parliamentary Counsel should confirm the operational mapping in the final implementation notice.

4. Tariff certification

Six-digit official subheadings are used in the approved policy table because the live national statistical suffix can change and because several suffixes in the draft before Parliament are demonstrably wrong. Before gazettal, Customs should substitute or append the certified national suffix without broadening the limiting photovoltaic description. The resolution expressly requires written certification.

5. Existing Income Tax law

The official 2023 web consolidation is not the whole current position. The Income Tax (Amendment) Act, No. 2 of 2026, assented to on 19 February 2026, re-enacted section 38(1)(v), inserted paragraph (w), and replaced section 44(4) with an EC$40,000 cap effective from 1 January 2025 while preserving specified exclusions. This proposal does not restate section 44 and therefore avoids overwriting those later amendments.

6. Former photovoltaic deductions

Sections 38(1)(v) and 59C remain relevant to the historic 2023 to 2025 programme. This Bill preserves lawful claims and liabilities but does not extend those deductions. New expenditure is governed by the flat credits.

7. Electrical approval

Saint Lucia's existing Electricity Regulations require notice, inspection and a certificate of approval for new or altered installations. The package uses that existing safety gateway instead of creating a parallel tax inspectorate. Tax approval does not replace building, electrical, grid-connection, planning or environmental requirements.

8. Review and renewal

The five-year period provides investment certainty while preserving a hard sunset. The 24-month review supplies evidence early enough for correction. Any income-tax extension requires a new Act; any VAT extension must follow section 109. Automatic rollover is intentionally excluded.

PART VI. RESEARCH BASIS

The proposal was prepared from the attached 2026 parliamentary instruments, the law in force and official comparative evidence. Principal sources include:

1. Government of Saint Lucia, Value Added Tax Act, section 16 and section 109; Schedules 1 and 3. https://attorneygeneralchambers.com/laws-of-saint-lucia/value-added-tax-act

2. Government of Saint Lucia, Income Tax Act, sections 38, 42, 44, 59C, 75A to 75F, 97, 98 and 129. https://attorneygeneralchambers.com/laws-of-saint-lucia/income-tax-act

3. Government of Saint Lucia, Income Tax (Amendment) Act, No. 2 of 2026, official Acts list. https://npc.govt.lc/laws/acts/2026

4. Saint Lucia Customs and Excise Department, ASYCUDA online tariff, including headings 8501, 8536, 8541 and 8544. https://asycuda.customs.gov.lc/portal/services/tariff/sections.jsf

5. Government of Saint Lucia, Electricity Supply Act and Electricity Regulations; official electrical-installation process. https://attorneygeneralchambers.com/laws-of-saint-lucia/electricity-supply-act and https://infrastructure.govt.lc/services/apply-for-new-electrical-installation-homes-domestic-

6. Government of Saint Lucia, 2023 VAT price-monitoring statement. https://infrastructure.govt.lc/news/vat-amnesty-begins

7. Government of Saint Lucia, National Energy Policy and Implementation Plan. https://www.govt.lc/news/national-energy-policy-and-implementation-plan-publication

8. Government of Saint Lucia, 2025 Nationally Determined Contribution announcement. https://www.govt.lc/news/saint-lucia-submits-ambitious-third-ndc-to-the-unfccc

9. International Monetary Fund, St. Lucia: 2025 Article IV Consultation, January 2026, including recommendations to control tax expenditures and replace regressive pre-tax breaks with flat credits. https://www.imf.org/en/publications/cr/issues/2026/01/14/st-573153

10. OECD, A Practical Guide to Investment Tax Incentives, 2026, including ex ante costing, monitoring, evaluation and sunset guidance. https://doi.org/10.1787/427c66a9-en

11. IRENA, Solar PV Supply Chains: Technical and ESG Standards for Market Integration, 2024. https://www.irena.org/Publications/2024/Sep/Solar-PV-supply-chains-Technical-and-ESG-standards-for-market-integration

12. IRENA, Boosting Solar PV Markets: The Role of Quality Infrastructure, 2017. https://www.irena.org/publications/2017/Sep/Boosting-solar-PV-markets-The-role-of-quality-infrastructure

13. Government of Ireland, zero VAT on supply and installation of solar panels; Revenue guidance and SEAI installation controls. https://www.gov.ie/en/department-of-finance/press-releases/ministers-mcgrath-and-ryan-announce-a-zero-rate-of-vat-for-the-supply-and-installation-of-solar-panels-for-private-dwellings-from-1-may-2023/ and https://www.revenue.ie/en/vat/vat-on-property-and-construction/construction-fixtures-fittings-solar-panels/solar-panels.aspx

14. United Kingdom HM Revenue and Customs, VAT Notice 708/6 on energy-saving materials, qualifying components and battery storage. https://www.gov.uk/guidance/vat-on-energy-saving-materials-and-heating-equipment-notice-7086

15. Australian Clean Energy Regulator, small-scale renewable energy and battery product and installer requirements. https://cer.gov.au/schemes/renewable-energy-target/small-scale-renewable-energy-scheme/small-scale-renewable-energy-systems

16. United States Internal Revenue Service, Form 4255 instructions, objective five-year recapture percentages. https://www.irs.gov/instructions/i4255

17. Mauritius Central Electricity Board, Home Solar Project and household bill-credit model. https://ceb.mu/projects/hspp2b

18. Inter-American Development Bank, distributional evidence on residential solar adoption and Caribbean resilient-building evidence. https://publications.iadb.org/en/shedding-light-unequal-distribution-residential-solar-pv-adoption-latin-america-and-caribbean

19. World Bank, Caribbean energy-resilience and green-building programmes. https://www.worldbank.org/en/news/press-release/2025/03/04/caribbean-countries-move-toward-energy-sustainability-with-new-regional-project

Final recommendation

Approve the purpose, replace the present texts, and commence only when Customs, Energy, Electrical Inspection, Inland Revenue and Consumer Affairs can administer one coherent system. This package lowers costs without zero-rating unrelated goods, improves access without rewarding higher marginal tax rates, protects legitimate property transfers and disaster losses, and gives Parliament the evidence and expiry point needed to decide whether the concession is working.