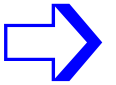
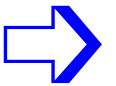


**Why
Convert To Solar Water Heating?**



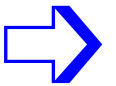
— Or —

**Is It Feasible To
Convert To Solar Water Heating?**



— Or —

**Is It Cost Effective To
Convert To Solar Water Heating?**



**The next few pages
will give you the simplest way
to look at it ...**

... and to understand ...

... why it's a "no brainer"



**Did you realize
that a Solar Water Heating System
will cost you no more than
staying with your conventional Electric Water Heater?**

— Why? —

**To pay for the Solar System:
You are only going to use the same money
you would have otherwise had to use
to pay your Federal Income Taxes.**



— Why? —

**To pay for the Solar System:
You are only going to use the same money
you would have otherwise had to use
to pay your State Income Taxes.**



— Why? —

**To pay for the Solar System:
You are only going to use the same money
you would have otherwise had to use
to pay your electric bill
— the money you pay the electric company
to heat your water.**



You're going to spend the same amount of money anyway!

Compare the **BENEFITS** of each choice.

Which choice gives you better **BENEFITS**?

Which choice gives you a better **RETURN ON YOUR MONEY**?

Choosing ELECTRIC Water Heating

WITHOUT a Solar System:

Over the next few years you will pay up to **\$2,000.00**

In Federal Income Taxes.

You cannot use that **\$2,000.00** for anything else, since you have to pay it to the Federal Government.

The only thing you get back for the **\$2,000.00** paid, is a cancelled check.

Choosing SOLAR Water Heating

WITH a Solar System:

The **\$2,000.00** you would have otherwise spent on Federal Taxes, will now pay for part of your Solar System, giving you an **ASSET**.

An ASSET that will increase the value of your home, and save you thousands of dollars in utility bills over the years.

WITHOUT a Solar System:

Over the next few years you will pay up to **\$2,250.00**

In State Income Taxes.

You cannot use that **\$2,250.00** for anything else, since you have to pay it to the State Government.

The only thing you get back for the **\$2,250.00** paid, is a cancelled check.

WITH a Solar System:

The **\$2,250.00** you would have otherwise spent on State Taxes, will now pay for part of your Solar System, giving you an **ASSET**.

An ASSET that will increase the value of your home, and save you thousands of dollars in utility bills over the years.

WITHOUT a Solar System:

Over the years you will pay **thousands of dollars to the electric company to heat your water.**

You cannot use those **thousands of dollars** for anything else, since you are paying it to the **electric company to heat your water.**

The only thing you get back for the **thousands of dollars** paid for heating your water, is a cancelled check.

WITH a Solar System:

The **thousands of dollars** you would have otherwise spent **to heat your water**, will now pay for the rest of your Solar System, giving you an **ASSET**.

An ASSET that will increase the value of your home, and save you thousands of dollars in utility bills over the years.

Remember . . .

If you do not purchase a Solar System . . .

**You cannot use the money
you would use to purchase your solar system
for anything else . . .**

You cannot spend that money on anything else . . .

Why?

**If you don't invest in a Solar System,
the money you would have used to pay for the system,**

- has to be used to pay your Federal Income Tax**
- has to be used to pay your State Income Tax**
- has to be used to pay the Electric Co. to Heat your Water**

So . . .

**. . . If you are spending that money for taxes and utility bills,
. . . how can you spend that money on anything else but your
*Solar Water Heating System?????***

ATTENTION: Homeowners — *Did you know???*

**YOU Pay the Same Money OUT-OF-POCKET Every MONTH NOW
WITH or WITHOUT a SOLAR SYSTEM**



HOWEVER, In the Very Near Future

***YOU Will Pay More* OUT-OF-POCKET Each Month**

WITHOUT A SOLAR SYSTEM —Than You Would *WITH* a SOLAR SYSTEM

Heating Water Electrically VS Heating Water with the SUN

WITHOUT SOLAR

● **YOU PAY OTHERS**

(HECO — TO HEAT YOUR WATER)

(THE STATE — YOUR INCOME TAX)

(THE FED GOV'T — YOUR INCOME TAX)

● **EVERY YEAR YOU WILL PAY MORE**

TO HEAT YOUR WATER

(AS ELECTRIC RATES INCREASE)

(AS THE PRICE OF OIL INCREASES,
& ELECTRIC CO. FUEL SURCHARGES
INCREASE)

● **YOU HAVE NO ASSETS TO SHOW**

FOR THE MONEY YOU SPEND

TO HEAT YOUR WATER

OR FOR THE TAXES YOU PAID

● **THERE IS NO EQUITY IN RETURN**

FOR THE MONEY YOU SPEND

TO HEAT YOUR WATER

ELECTRICALLY

OR FOR THE TAXES YOU PAID

WITH SOLAR

● **YOU PAY YOURSELF**

(The MONEY YOU SAVE to HEAT WATER
PAYS for YOUR SOLAR SYSTEM)

(The STATE INCOME TAX YOU SAVE also
PAYS for YOUR SOLAR SYSTEM)

(The FEDERAL INCOME TAX YOU SAVE also
PAYS for YOUR SOLAR SYSTEM)

● **EVERY YEAR YOU WILL SAVE MORE**

with the SUN HEATING YOUR WATER
(AS ELECTRIC RATES INCREASE)

(AS THE PRICE OF OIL INCREASES,
& ELECTRIC CO. FUEL SURCHARGES
INCREASE)

● **YOUR SOLAR SYSTEM**

is a FISCAL ASSET of VALUE

that YOU RECEIVED for MONEY SPENT

● **YOUR SOLAR SYSTEM**

ADDS VALUE to YOUR HOME

and REPRESENTS **EQUITY**

for MONEY SPENT

Which Choice Makes the Most Common Sense?

Why Convert To Solar NOW?

- * *Every week you delay —*
— the longer you wait to invest
— the more you will pay!



- 1.) *In wasted money you use to heat your water*
— Money that could have been used to pay for your Solar System.
For every \$1 increase in the cost of a Barrel of Oil, you will pay approximately .0020378457¢ more per KWH ...OR ... OVER 2¢ per KWH For every \$10 increase in the cost of a Barrel of Oil!
- 2.) *In higher system costs*
— Prices will go higher & higher, due to more demand and less supply of components.
- 3.) *In loss of \$1,000.00 in HECO incentive funds, should they end before you purchase a system and the funds are no longer available to you; availability of funds IS LIMITED*
— there is a limited amount of incentive funds each month and each year — “first come first served” — “you snooze you lose”!

What are Tax Credits? — How do they work?

Many people misunderstand what a Tax Credit is, and are therefore confused about how it actually works. Sometimes they think it is something other than what it actually is, and therefore don't realize what a great thing a Tax Credit is.

We will explain, in simple terms, what a Tax Credit is, and how it works:

A Tax Credit is a ***Dollar for Dollar credit*** against your **TAX LIABILITY**.

Question: What is your **TAX LIABILITY**?

Answer: It is the total income taxes you owe the State and/or Federal Gov't for the tax year.

Answer: It is the actual State or Federal Taxes that are due to the State and/or Federal Gov't for the year, based on your income and deductions. It is the Taxes you need to pay The State and/or Federal Gov't for the tax year.

Question: What is a **TAX CREDIT**?

Answer: It is a ***Dollar for Dollar CREDIT*** against the total income taxes you owe the State and/or Federal Gov't for the tax year.

Answer: It is a ***Dollar for Dollar CREDIT*** against the actual State or Federal Taxes that are due to the State and/or Federal Gov't for the year, based on your income and deductions. It is a ***Dollar for Dollar CREDIT*** against the Taxes you need to pay the State and/or Federal Gov't for the Tax year.

The Tax Credits Reduce The Cost Of A Solar System.

How Much Will The Tax Credits
Reduce Your Real Cost?

In general, the answer is: **A lot.**

About **65% of the cost of the system.**

(After the HECO Instant Rebate, the Federal & State Tax Credits Reduce the Real Cost of the System About **65%**)

A tax credit is generous.

A tax credit directly reduces the taxes you pay, *dollar for dollar.*

A \$1 tax credit is worth \$1.

See following page
for examples of how
the Tax Credits work.

Example: On a solar system costing \$5,750, your Tax Credits would be:

	System Cost	\$5,750
Less:	HECO Instant Rebate/Co-Payment	— <u>\$1,000</u>
	System Cost after Co-Payment	\$4,750
<u>(The amount you pay for the system at time of purchase)</u>		
Less:	35% State Tax Credit	— \$1,662.50
	(35% of \$4,750)	
Less:	30% Federal Tax Credit	— <u>\$1,425</u>
	(30% of \$4,750)	
	System Cost <u>after</u> Tax Credits	\$1,663

\$3,087 Your Total Tax Credits ($\$1,662 + \$1,425 = \$3,087$) = **System cost reduced 65%**
\$4,750 The amount you pay for the system at time of purchase

Plus . . .

. . . your annual utility savings will pay for the other 35% of the cost . . .

***. . . in most cases, the system can thereby pay for itself
within 1.5 to 2 years!***

A tax credit is generous.

A tax credit directly reduces the taxes you pay, *dollar for dollar.*

A \$1 tax credit is worth \$1.

Examples Of How The Tax Credit Works

(The following examples are also the same for the Federal Tax Credits. Just substitute the word 'Federal' wherever the word 'State' appears.)

Example: During the tax year you have Pre-Paid or had withheld from your pay checks \$2,250 in State income tax. At the end of the year, when you calculate your actual state tax liability, it is exactly \$2,250. If you had a solar tax credit of \$2,250, then you will receive a refund of \$2,250 from the state when you file your tax return. (If you didn't have a solar tax credit, you wouldn't have received any tax refund.)

Example: During the tax year you have Pre-Paid or had withheld from your pay checks \$2,500 in State income tax. At the end of the year, when you calculate your actual state tax liability, it is exactly \$2,250. If you had a solar tax credit of \$2,250, then you will receive a refund of \$2,500 from the state when you file your tax return. (If you didn't have a solar tax credit of \$2,250, you would have only received a \$250 refund.)

Example: During the tax year you have Pre-Paid or had withheld from your pay checks \$2,000 in State income tax. At the end of the year, when you calculate your actual state tax liability, it is exactly \$2,250. If you had a solar tax credit of \$2,250, then you will receive a refund of \$2,000 from the state when you file your tax return, and you would not owe and therefore not have to pay the other \$250 in state income tax. (If you didn't have a solar tax credit, then you wouldn't have received any refund, and you would have had to pay an additional \$250 in state income tax.)

Example: During the tax year you have Pre-Paid or had withheld from your pay checks \$2,000 in State income tax. At the end of the year, when you calculate your actual state tax liability, it is exactly \$3,000. If you had a solar tax credit of \$2,250, then you will not have to pay the additional \$1,000 in state income tax, ***plus*** you will receive a refund of \$1,250 from the state when you file your tax return. (If you didn't have a solar tax credit, then you wouldn't have received any refund, and you would have had to pay an additional \$1,000 in state income tax.)

Example: During the tax year you have Pre-Paid or had withheld from your pay checks \$3,000 in State income tax. At the end of the year, when you calculate your actual state tax liability, it is only \$2,500. If you had a solar tax credit of \$2,250, then you will receive a refund of \$2,750 from the state when you file your tax return. (The refund of \$500 you over paid in taxes, plus the \$2,250 in state solar tax credits. If you didn't have the solar tax credit, then you would only have received a \$500 refund.)

Example: During the tax year you have Pre-Paid or had withheld from your pay checks \$1,500 in State income tax. At the end of the year, when you calculate your actual state tax liability, it is only \$1,500. If you had a solar tax credit of \$2,250, then you will receive a refund of \$1,500 from the state when you file your tax return. Then the balance of the \$750 in state solar tax credits that you didn't use this year, will be used next year, or in any succeeding year, until all of your solar tax credit is used up. (If you didn't have the solar tax credit, you wouldn't have received the \$1,000 refund.)

*THE
Hawaii State Energy Office
SAYS:*

*The
ELECTRIC HOT WATER HEATER
is the most expensive
energy-user
on your
home energy bill!*

*HECO
(Hawaiian Electric Co.)
estimates
a home's hot water heater
soaks up between
30% and 60%
of the home's
total electricity load!*

Why Solar?

Global Warming

Pollution

**Reduce the State's
Dependence on Oil**

**Reduce the Country's
Dependence on Oil**

**Keeps dollars that would have
been spent on oil
in the State's economy**

Why Solar?

Solar Energy Is The Only

Inexhaustible,

Non-Polluting

Energy Source

Known To Man ...

... and *IT'S FREE!*

**BASED ON WHAT YOU NOW KNOW,
IF WE CAN PROVIDE YOU WITH A
SOLAR SYSTEM THAT WILL MEET 100%
OF YOUR EVERYDAY HOT WATER NEEDS —
AND GUARANTEE IT TO DO EXACTLY THAT —
ARE YOU INCLINED TO STAY
WITH THE CONVENTIONAL
ELECTRIC SYSTEM YOU NOW HAVE,
OR ASSUMING THE INSTALLATION COST
OF THE SOLAR SYSTEM IS AFFORDABLE,
AND DONE ON A BASIS WHERE IT NOT ONLY PAYS
FOR ITSELF, BUT ACTUALLY MAKES YOU MONEY,
WOULD YOU LIKE TO CONVERT
TO SOLAR ENERGY?**

Considering a Solar Water Heating System for Your Home?

Let us provide a No Cost — No Obligation
Solar System Design and Price Quote for Your Home.

Call Michael Gold: 454-2666

☑ **Reduce your Water Heating Cost by 90%**

Save Hundreds of Dollars a Year
On your Electric Bill

☑ **Receive a \$1,000.00 Incentive Instant Rebate
From HECO on the Cost of Your System**

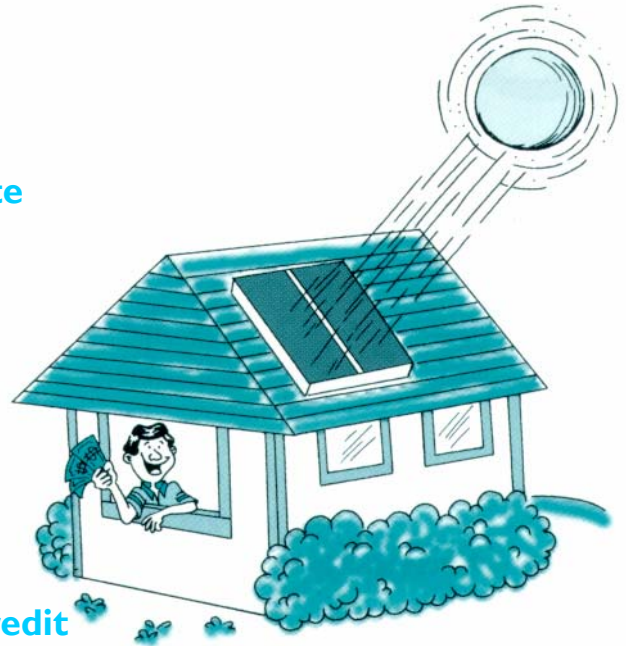
By participating in the HECO
Residential Efficient Water Heating Program

☑ **Receive a 35% State Energy Tax Credit**

Save up to **\$2,250.00** off of your Solar System
cost, with State Tax Savings

☑ **Receive a 30% Federal Solar Energy Tax Credit**

Save **THOUSANDS** off of your Solar System
cost, with Federal Tax Savings



Let us design a
Solar Water Heating System
to meet the **Hot Water needs**
of your household.

We have been designing Solar Water Heating Systems
Since 1978.

All System Designs — Including: ALL Components,
Plumbing, and Installation Materials & Fittings, meet or
exceed HECO System Design Requirements — to
Qualify for the \$1,000.00 Rebate. — **GUARANTEED!**

Let us present a quote for your
custom designed system.

Call Michael Gold: 454-2666

Representing a HECO Participating Solar Contractor

