

## Small Businesses Go Green Innovative Tax Credits Act

### SEC. 1. Findings.

- (a) Small and medium enterprises are instrumental to California's economy.
- (b) Expansion of clean energy access lowers costs, adds jobs, and makes state climate goals easier.
- (c) Incentives must be provided so that it is easier for small businesses to overcome financing hurdles with accountability and transparency.

### SEC. 2. Tax Credits.

Sections 23689 and 17059.6 are added to the Revenue and Taxation Code to offer, for taxable years 2026 through 2034, a credit of not exceeding 30 percent of qualified expenditures, up to \$500,000 per business annually, for the production of green products or clean energy technology.

### SEC. 3. Grants and Loans.

- (a) Grants are to be made by the California Energy Commission for qualified projects with a priority to disadvantaged communities.
- (b) The California Infrastructure and Economic Development Bank will provide low-interest loans to finance upfront costs.

### SEC. 4. Accountability.

Regulations will be made by the Franchise Tax Board, Energy Commission, and IBank, and they will report annually to the Legislature regarding program participation, greenhouse gas reductions, and job effects.

### SEC. 5. Sunset.

This act remains in effect until January 1, 2035, and is repealed as of that date unless an extension is enacted by statute.