



You can take out a long-term loan to pay off the cost of your solar installation over many years, but there are also short-term (12-18 months) loans, also called bridge loans, that allow you to use the ITC and state credits immediately instead of waiting until you file taxes.



The simplest way to get capital to go solar is through a loan, which can save you anywhere from 40% to 70% over the lifetime of your solar panels. These loans are similar to most home improvement loans used to complete upgrades or renovations, such as finishing a basement or re-doing your kitchen.



In this EcoWatch guide on solar panel financing, you'll learn: What's the best way to pay for solar panels in 2022? What are the pros and cons of different solar financing methods? Is solar loan interest tax deductible? What banks are best for solar loans?



Let's say you're paying in cash or financing your solar panels. And the cost for your solar panel installation is \$30,000. With the 30% tax credit, your taxable income will be lowered by