

From: Roger Freeborn <coachfreeb@bfsmail.com>
Sent: Sunday, April 17, 2011 11:14 PM
To: Roger Freeborn <coachfreeb@bfsmail.com>
Subject: GO GREEN - MAKE MONEY
Attach: RaPower3 Basics.UpDatedoc.doc

ryone:

...
The government wants the development of the 'Green Economy' in a bad way, and they are trying to pay for it via tax credits and incentives. Congress allows you to earmark your tax dollars to foster the development of green energy. When you do, for every tax dollar you put into the program, this year, they will give you back \$1.70 in tax credits and incentives. You listen to the news, you know that there is Stimulus money that has not been spent. In D.C. there are \$Billions on the table to be given away to help foster the development of renewable energy. You just need to know how to ask. This is the third tax year for our RaPower3 Renewable Energy Program. Each year has been one of a success. RaPower3 systems qualify for the program. At the end of last year, Congress sweetened the pie, and the program is not only better, as one of my friends would say, "It's Freaky Good!" With this program you are awarded the same tax privileges that General Electric gets, i.e., pay no federal taxes. In fact, full participation makes you tax free till 2020. This video explains how you benefit: <http://vimeo.com/21065682> and the attached document explains the program. I wait, there's more. Call me to find out.

Roger Freeborn, 503.312.2138



Gregg_P&R-001217

RaPower3 Basics:

1. Value of System = \$3500
2. Down Payment = \$1050
3. Tax Credit = \$1050.
4. Depreciation = \$2975

Working the Program:

1. Determine the amount paid in taxes for 2006-2010.
2. Divide that amount by \$1050 to determine number of systems to purchase.
3. Place a 10% down payment due upon signing the purchase agreement. (These monies could be paid in lieu of estimated tax payments to the IRS because no taxes will be due for 2011 taxes because of the tax credit and 100% depreciation benefit.)
4. After filing 2011 taxes next year, pay the remaining 90% of the down payment with the IRS Refund of taxes paid for years 2006-2011.
5. Carry forward the depreciation as a NOL to future tax years to eliminate taxes.
6. This program is renewable thru 2016. Purchasing additional units each year will offset taxes and for each particular year.

For Example:

A married couple has \$875 withheld from their paychecks each month for withholding purposes and a Taxable Income of \$72,500 producing a tax liability of \$10,500.

Assuming their income has not changed that much over the previous 5 years, they would purchase 10 systems for each of the 5 previous years.

In addition, to max out the program including 2011, they would purchase 8 systems to offset their 2011 taxes making a total purchase of 58 systems.

Fifty-eight systems qualify for tax credits of \$60,900 and depreciation of \$172,550. This couple's tax return could like the following for 2011:

Taxable Income = \$72,500

Their \$172,550 depreciation adjustment to income wipes out their tax liability and produces a net operating loss of \$100,050 to be carried forward

offsetting future tax liability. In addition, since this couple enrolled into the program in May, the \$3,500 already withheld would be returned to them.

Assuming they had \$10,500 in taxes each of the past 5 years, using their Renewable Energy Tax Credits, the tax money for 2006-2010 would be refunded to them equaling \$52,500.

Having made a down payment of \$6,090, the remaining \$54,810 of the down payment will be paid for out of their \$56,000 return, leaving them with \$1,190.

In addition, this is a renewable program each year thru 2016. Assuming that their income remains the same for the next 5 years, to take advantage of the current tax law, an additional 10 systems would be purchased each of those additional 5 years giving them a total of 108 systems.

When the Bonus is paid on the initial 58 systems, a person might be wise to take at least 30% of that \$348,000 and purchase an additional 99 systems in order to put what would be their tax money to work for them.

For the first 5 years they will be paid \$150 per system:

207 X \$150 for 5 years = \$155,250;

For the next 30 years they will be paid \$68.34 per system:

207 X \$68.34 X 30 years = \$424,391

Total:

In summary:

| | | |
|------------------|----|----------------|
| IRS Refund: | \$ | 1,190 |
| Tax Credits: | \$ | 217,350 |
| Depreciation: | \$ | 615,825 |
| Bonus: | \$ | 348,000 |
| Residual Income: | \$ | <u>579,641</u> |
| | | \$1,762,006 |

Furthermore, this person would not have any tax liability perhaps till 2020.

Money a booster club would make:

| | | |
|-----------------------------|----|------------------|
| Commissions on 212 Systems: | \$ | 21,735 |
| Bonus on 60 systems: | | \$174,000 |
| 35 Year Residual Income: | | <u>\$ 28,982</u> |
| | | \$224,717 |

The FULL Official Details are still being worked out and finalized.