

Excerpt from ETF Trends, February 16, 2021

<https://www.etftrends.com/etf-education-channel/up-150-6-months-tax-credits-could-launch-pbw/>

Up 150% in 6 Months, New Tax Credits Could Launch PBW into the Stratosphere

A political push to include renewable energy tax credits in President Biden's massive infrastructure plan could be yet another boon for exchange traded funds such as the [Invesco WilderHill Clean Energy ETF \(PBW\)](#).

PBW seeks to track the investment results of the WilderHill Clean Energy Index.

"The administration has already started engaging with top lawmakers on Biden's economic rebuilding program — his longer-term follow-up to the Covid-19 relief package. The \$1.9 trillion aid bill is currently moving through the House, and Biden is expected to unveil his second initiative later this month; some economists see it weighing in at \$2 trillion," [reports Bloomberg](#).

House Ways and Means Chairman Richard Neal, a Massachusetts Democrat, wants to use tax incentives as a way of speeding along the transition to renewable energy.

PBW Remains Powerful With or Without a Political Push

Adding to the PBW thesis is that renewable energy adoption is a truly global theme, with help coming from some of the world's largest economies.

While the political climate in the nation's capital remains hostile, it's also ripe for more renewable energy investment, and that's a credible catalyst for PBW.

"Neal said he's looking at tax incentives for clean energy and renewable technologies, an approach that dovetails with Biden's campaign promises to boost subsidies for green investments, energy efficiency and electric vehicles. Biden has also directed federal agencies to stop subsidizing fossil fuels and plans to ask Congress to zero-out oil As environmental concerns increase, alternative energy methods seem to offer the most promising solutions to these problems. Conscientious investors are eager to invest ...

"Existing tax credits help support construction of energy-efficient commercial buildings, wind farms and solar arrays, as well as the capture of carbon dioxide. But some clean-energy advocates have asked Congress for tax incentives to better support the development of large, grid-scale power-storage systems that can help bolster intermittent renewable energy production," concludes *Bloomberg*.

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