

Sweden to scrap taxes on solar energy in 2017

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Sweden is set to ditch taxes on its production of solar energy in 2017 in a bid to run entirely on renewable energy by 2040, the government said on

Monday.

Solar energy is currently marginal in the Nordic nation, accounting for less than 0.1 percent of [electricity production](#). Sweden relies mostly on hydropower (39 percent) and nuclear power (36 percent).

The finance ministry said in a statement that the production of [solar electricity](#) for own use would be entirely exempt from taxes. Electricity providers would meanwhile only be taxed 500 kronor (51 euros) per megawatt hour, which is a 98-percent reduction from the current level.

"This makes fast investments possible," Social Democratic Finance Minister Magdalena Andersson said.

The proposal is likely to be adopted by parliament, with the centre-right opposition having criticised the minister for her lack of ambition with regards [renewable energy](#) investments.

The move must also be approved by the European Commission in Brussels, which aims to boost the EU's share of renewable energy to at least 20 percent of consumption.

In October, the Swedish energy market regulator had estimated that in order to reach the target of 100 percent renewable energy, the share of solar electricity would have to rise to between five and 10 percent.

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