



The Tax Incentives Assistance Project (TIAP)

[www.energytaxincentives.org](http://www.energytaxincentives.org)

## Consumer Incentives

**Existing homes are eligible for efficiency measures worth 30% of the installed cost - See below for more information**

### **Home Shell: *Insulation, Windows, Sealing***

**Homeowners can get credits for energy improvements to their homes, such as windows, insulation, and envelope and duct sealing**

Existing homes are eligible for a series of efficiency measures that pertain to the home envelope, worth 30% of the installed cost (materials only, labor is not included in the credit basis). There is a \$1,500 cap on the credit per home.

#### **What is eligible for the federal tax credits?**

- Added **insulation** to walls, ceilings, or other part of the building envelope
- Replacement **windows and skylights**
- **Storm windows** and **Storm doors** and **exterior doors**
- **Window films**
- **Sealing** cracks in the building shell and ducts to reduce infiltration and heat loss
- **Pigmented metal roofs**, or an **asphalt roof with cooling granules**

**For more information:**

**[http://www.energytaxincentives.org/consumers/insulation\\_etc.php](http://www.energytaxincentives.org/consumers/insulation_etc.php)**

## Home Heating & Cooling Equipment

Homeowners can get credits for installing efficient air conditioners and heat pumps; gas or oil furnaces and furnace fans; and gas, oil, or electric heat pump water heaters in new or existing homes.

### What types of equipment qualify?

- High-efficiency gas, oil, and propane furnaces and boilers
- High-efficiency central air conditioning units, including air-source heat pumps
- **NEW** - Ground-source or geothermal heat pumps
- **NEW** - Biomass Stoves
- High-efficiency fans for heating and cooling systems
- High-efficiency water heaters, including heat pump water heaters

For more information:

<http://www.energytaxincentives.org/consumers/heating-cooling.php>

## Passenger Vehicles

Credits are available to buyers of hybrid gasoline-electric, diesel, battery-electric, alternative fuel, and fuel cell vehicles.

Per IRS, **Plug-In Hybrid Credit** must have a battery of at least 4 kilowatt hours, which brings a credit of \$2,500. Each kilowatt hour of battery above this adds \$417 to the credit, up to a maximum of \$7,500 for light-duty vehicles reaching a maximum of \$15,000 for vehicles over 26,000 lbs. gross vehicle weight.

**Lean-Burn Vehicles** - emissions control technologies now allow diesels to meet the requirements for emissions of NOx and particulate matter. Both Mercedes and Volkswagen offer diesels eligible for tax credits in model year 2009.

For more information:

<http://www.energytaxincentives.org/consumers/vehicles.php>

## On-Site Renewables

Credits are available for qualified solar water heating and photovoltaic systems, small wind and geothermal heat pump systems.

The tax credits are for 30% of the cost of the system. *Please note: Systems installed after December 31, 2008, are not subject to a cap.*

**For more information:**

<http://www.energytaxincentives.org/business/renewables.php>

## Fuel Cells and Microturbines

Credits are available to homeowners and businesses who install qualifying systems. Fuel cells are an advanced technology to generate electricity at the site of use, but they are expensive for commercial buildings and are not widely available for homes.

- Credits for fuel cells are for 30% of the cost, up to \$1000 per kW of power that can be produced.
- To qualify systems must have an efficiency of at least 30% and must have a capacity of at least 0.5 kW.

This incentive is permissible against the Alternative Minimum Tax (AMT).

**For more information:**

[http://www.energytaxincentives.org/consumers/fuel\\_cells.php](http://www.energytaxincentives.org/consumers/fuel_cells.php)

Information from <http://www.energytaxincentives.org/> website