



Commercial/Industrial Federal Energy Efficiency Tax Credits

Tax incentives passed in the federal Emergency Economic Stabilization Act of 2008 promote wise energy use to lower your energy bills and reduce your tax bill!

The new energy law provides valuable federal tax credits to business owners who make certain specified energy-efficiency upgrades to their buildings and/or purchase fuel-efficient hybrid and plug-in electric vehicles.

What do I need to do to get the tax credit? You will need to file the appropriate IRS form with your taxes. In addition, you will need to keep your receipts proving that you purchased the product and a copy of the manufacturer's certification and/or the Energy Star® label. Manufacturers and retailers should be able to help you determine whether a specific product qualifies. Accountants and tax professionals should be consulted for specific guidance.

Who Benefits From the Tax Credits

The person or organization that pays for construction is generally the recipient of the deduction. This is usually the building owner, but for some HVAC or lighting efficiency projects, it could be the tenant. For government-owned buildings, the person primarily responsible for designing the building or project may be able to claim the deduction.

Commercial Building Construction & Heating and Cooling Systems

A one-time tax deduction of up to \$1.80 per square foot is available to owners or designers of new or existing commercial buildings that save at least 50 percent more than the heating and cooling energy of a building that meets American Society of Heating, Refrigerating, and Air Conditioning Engineers (ASHRAE) Standard 90.1-2001. Partial deductions of up to \$.60 per square foot can be taken for measures affecting any one of three building systems: the building envelope, interior lighting or heating and cooling or hot water systems. These tax deductions are available for systems "placed in service" from January 1, 2006 through December 31, 2013.

Lighting

Improving your lighting systems is one of the first steps Environmental Protection Agency recommends to increase the efficiency of your buildings— whether you are retrofitting existing buildings or designing new buildings. Unless and until the IRS issues a different final rule, you may qualify for a deduction of \$0.30 to \$0.60 per square foot. Please refer to H.R. 6, subtitle C, section 1331 for details.

Mora Municipal Utilities shares your concerns about rising energy costs. In addition to these federal tax deductions, you may also be eligible for rebates on light fixtures, central air conditioners and air-source and ground-source heat pumps from Mora Municipal Utilities. Visit SaveEnergyInMora.com for rebate forms and qualifications.

————— **See reverse side for more information** —————



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SaveEnergyInMora.com



A SMMPA Member Utility

Additional Resources

EPA's Energy Star:

www.energystar.gov/taxcredits

Alliance to Save Energy: (This website is also available in Spanish.)

www.ase.org/content/article/detail/2654

Tax Incentives Assistance Project: www.energytaxincentives.org

Internal Revenue Service:

www.irs.gov/newsroom/article/0,,id=153397,00.html

www.treas.gov/press/releases/reports/alt%20ener%20veh%20guidance.pdf

Commercial Building Tax Deduction Coalition:

www.efficientbuildings.org/about_the_provision.html

EERE DOE listing of Qualified Software:

www.eere.energy.gov/buildings/info/qualified_software/

FAQs - great overall resource:

www.lightingtaxdeduction.com/faq.html

NEMA's www.lightingtaxdeduction.com (comprehensive site):

www.lightingtaxdeduction.com/

Key Tables and Standards from ASHRAE 90.1-2001:

www.lightingtaxdeduction.com/standard.html

Interim Rules for Lighting (still in effect):

www.lightingtaxdeduction.com/f4.html

Examples of Projects:

www.lightingtaxdeduction.com/projects.html