



Residential 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!

This bill increases valuable tax credits to consumers who make certain specified energy-efficiency upgrades to their existing homes. Homeowners may qualify for tax credits for eligible shell improvements such as insulation and windows and doors; and for energy efficient equipment such as central air conditioners and heat pumps. The amount of eligible credit has been increased to 30% of the equipment costs, and the installation costs in some cases. The credit applies to 2009 and 2010 tax returns, with a lifetime cap of \$1,500.

There are also credits to consumers for solar energy systems and fuel cells until 2016. New tax credits were established for small wind energy systems and plug-in hybrid 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.

Redwood Falls Public Utilities shares your concerns about rising energy costs. In addition to these federal tax credits, you may also be eligible for rebates on central air conditioners and air-source and ground-source heat pumps from Redwood Falls Public Utilities. Visit SaveEnergyInRedwoodFalls.com for rebate forms and qualifications.

For More Information

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