



HOMEOWNERS AND RESIDENTIAL BUILDERS CAN QUALIFY FOR ENERGY EFFICIENCY TAX CREDITS UNDER THE ENERGY POLICY ACT OF 2005.

Who is eligible for tax credits?

Builders of an energy efficient new home are eligible for \$2,000 maximum tax credit. Existing home owners are eligible for \$500 maximum tax credit for efficiency improvements. An additional tax incentive is available for solar energy systems.

When does the work have to be completed?

The work must be completed between January 1, 2006 and December 31, 2007.

What are some things I should do?

- Save all your receipts and equipment documentation.
- Consult the IRS or your tax advisor.

How can Efficiency Vermont help?

- Efficiency Vermont can serve as an informational resource to Vermonters regarding energy efficiency improvements and requirements.
- We can help you identify qualifying home energy related equipment.
- For builders of new homes who are enrolled in the Vermont ENERGY STAR® Homes Service, we can offer technical assistance and verify required efficiency levels.
- Regardless of qualification for tax credits, Efficiency Vermont services can help you make your new or existing home more efficient.

Where can I find out more information?

The Department of Energy and the Internal Revenue Service will provide more information about the tax credits as it becomes available. The most complete and updated information is available on the web at www.energytaxincentives.org. For information on energy efficient products go to www.energystar.gov. While we have made every effort to describe the tax credits accurately, we cannot provide tax advice and suggest you contact a tax professional with any questions specific to your situation.

| TAX CREDITS APPLY TO: | |
|----------------------------------------------------|----------------------|
| BUILDER | |
| Energy efficient new homes* | \$2,000 credit |
| HOMEOWNER** | |
| Insulation upgrades | Up to \$500 credit |
| High efficiency water heaters | \$300 credit |
| Energy efficient windows, doors, or roof materials | Up to \$200 credit |
| High efficiency furnaces and boilers | Up to \$150 credit |
| High efficiency central air conditioners | \$300 credit |
| High efficiency furnace and/or central air fans | \$50 credit |
| Ground source heat pumps | \$300 credit |
| Solar electric power systems | Up to \$2,000 credit |
| Solar hot water systems | Up to \$2,000 credit |

*using less than half the energy of an average home
 **specific energy efficiency requirements apply

Source: www.energytaxincentives.org



OWNERS AND DESIGNERS OF COMMERCIAL BUILDINGS CAN QUALIFY FOR ENERGY EFFICIENCY TAX DEDUCTIONS UNDER THE ENERGY POLICY ACT OF 2005.

Owners and designers of commercial buildings can reduce their tax liability by building and designing more efficient buildings. Tax deductions are available to owners of private commercial buildings, and designers of public commercial buildings, based on the following criteria:

| TAX DEDUCTION CRITERIA | | | |
|-------------------------------|------------------------------------------------|-------------------------------------------------------------------------------------|----------------------------------------------------------------|
| Building Type | Portion of Building | Requirements | Available Tax Deductions |
| New Commercial Buildings | Whole Building | 50% better than ASHRAE 90.1-2001* | \$1.80 per sq. ft. |
| Existing Commercial Buildings | HVAC and Hot Water System or Building Envelope | 50% better than ASHRAE 90.1-2001 for HVAC and Hot Water System or Building Envelope | \$0.60 per sq. ft. |
| | Interior Lighting System | 25%-50% better than ASHRAE 90.1-2001 | \$0.30 per sq. ft. on a sliding scale up to \$0.60 per sq. ft. |

*energy standard for buildings

Source: www.energytaxincentives.org

Who is eligible for tax deductions?

Owners or tenants of new or existing commercial buildings as well as designers of public buildings.

When does the work have to be completed?

These deductions are available for buildings or systems placed in service from January 1, 2006 through December 31, 2007.

What are some things I should do?

- Save all your receipts and equipment documentation.
- Consult the IRS or your tax advisor.

How can Efficiency Vermont help?

- Efficiency Vermont can serve as a technical resource to Vermonters regarding energy efficiency requirements.
- We can help you identify qualifying commercial energy related equipment.
- Regardless of qualification for tax deductions, Efficiency Vermont services can help you make your new or existing business more efficient.

Where can I find out more information?

The Department of Energy and the Internal Revenue Service will provide more information about the tax deductions as it becomes available. The most complete and updated information is available on the web at www.energytaxincentives.org. For information on energy efficient products go to www.energystar.gov. While we have made every effort to describe the tax deductions accurately, we cannot provide tax advice and suggest you contact a tax professional with any questions specific to your situation.

