



Summary of Energy Efficiency Tax Incentives in the Energy Policy Act of 2005
(And Extensions/New Provisions in the Economic Stabilization Act of 2008)

Product	Eligibility Information	Amount of Incentive	Years Covered	Notes
Existing homes and other non-business applications				
Central air conditioners (split systems)	15 SEER, 12.5 EER	\$300 if meets SEER & EER	2006-2007, 2009	\$500 per taxpayer cap for existing home credits For list of qualified products, go to the Consortium for Energy Efficiency Product Directory and look for "Residential Tier 2" Air Conditioners www.cee.org/vacdirectory.org/continue.html
Central air conditioners (package systems)	14 SEER, 12 EER	\$300 if meets SEER & EER	2006-2007, 2009	
Heat Pumps (air cooled)	15 SEER, 13 EER and 9.0 HSPF	\$300 if meets SEER, EER & HSPF	2006-2007, 2009	See CEE list (link above) for list of products.
Water heaters (non-business applications)				
Electric	2.0 EF	\$300	2006-2007, 2009	See GAMA Web site for list of qualifying products:
Gas and oil	0.8 EF	\$300	2006-2007, 2009	www.gamanet.org/gama/inforesources.nsf/vContentEntries/Product+Directories?OpenDocument
<i>*or a thermal efficiency of at least 90%</i>				
Gas and oil furnaces and boilers				
High combustion efficiency equipment	95% AFUE	\$150	2006-2007, 2009	See GAMA Web site (link above) for list of qualifying products.
High electric efficiency equipment	Meets CEE spec	\$50	2006-2007, 2009	Can earn either one or both incentive with the same unit. CEE spec requires electricity use to be <=2% of site use.
Biomass Stoves	Thermal efficiency of 75%	\$300	2009	See www.pelletheat.org for more information
Envelope improvements to existing homes				
Insulation, exterior doors, duct sealing and infiltration reduction	Meet 2000/2003 IECC & supplements	10% up to \$500	2006-2007, 2009	Includes duct sealing and infiltration reduction.
Windows and skylights	Same as above	10% up to \$200	2006-2007, 2009	All Energy Star windows and doors qualify for credits.
Roofs made of metal with pigmented coatings or asphalt with cooling granules.	Meet Energy Star spec	10% up to \$500	2006-2007, 2009	Credits cover cost of components only, and do not include costs of onsite prep, assembly or installation.
Appliances				
Refrigerators				
Save 20-22.9% relative to federal standard	Look to left	\$50	2008	All appliance incentives go to manufacturer, not consumer; manufacturers are expected to reduce prices accordingly.
Save 23-24.9% relative to federal standard	Look to left	\$75	2008 & 2009	
Save 25-29.9% relative to federal standard	Look to left	\$100	2008, 2009 & 2010	
Save 30% or more relative to federal standard	Look to left	\$200	2008, 2009 & 2010	
Clothes Washers				
Meet/Exceed 1.72 MEF, do not exceed 8.0 WCF	residential, top-loading	\$75	2008	MEF: Modified Energy Factor. The higher the MEF, the more efficient the unit. WCF: Water Consumption Factor. The lower the WCF, the more water efficient the unit.
Meet/Exceed 1.8 MEF, do not exceed 7.5 WCF	residential, top-loading	\$125	2008 & 2009	
Meet/Exceed 2.0 MEF, do not exceed 6.0 WCF	residential or commercial	\$150	2008, 2009 & 2010	
Meet/Exceed 2.2 MEF, do not exceed 4.5 WCF	residential or commercial	\$250	2008, 2009 & 2010	
Dishwashers				
Models using no more than 324 kilowatt hours/year and 5.8 gallons of water/cycle		\$45.00	2008 & 2009	The credit to manufacturers is capped at \$75 million for the period of 2008 - 2010. The most efficient refrigerators (30%) and clothes washers (2.2 MEF/4.5 WCF) are exempted from this cap.
Models using no more than 307 kilowatt hours/year and 5.0 gallons of water/cycle (5.5 gallons/cycle for dishwashers designed for greater than 12 place settings)		\$75	2008, 2009 & 2010	
New Homes				
Site-built or manufactured homes	50% savings	\$2,000	2006 - 2009	Incentives go to the builder, not the homebuyer.
Manufactured homes	30% savings or meets Energy Star	\$1,000	2006 - 2009	Savings relative to 2004 IECC.
Commercial Buildings				
Whole building	50% savings	Deduction of \$1.80/sq.ft.	2006 - 2013	Max. is \$0.60/sq.ft. per system or \$1.80/sq.ft. for whole bldg.
Lighting, HVAC or envelope	50% savings	Deduction of \$0.60/sq.ft. per system	2006 - 2013	Savings relative to ASHRAE 90.1-2001.
Lighting savings of at least 25%	25-50% savings	Sliding scale: \$.30/sq.ft. for 25% svgs	Unclear	Savings relative to ASHRAE 90.1-2001. Term of this provision depends on Treasury rulemaking.
Combined Heat and Power	10% investment tax credit, applicable to the first 15MW of CHP property.			See www.energytaxincentives.org/business/chp.php for details.
Fuel Cells and Microturbines				
Fuel Cells: Businesses, utilities, telecommunications firms	30% efficiency	30% up to \$3000/kW	2006 - 2016	Systems >=0.5 kW for credit. The increase to \$3,000/kW incentive for businesses is valid for units placed in service after October 3, 2008. Prior to that the incentive is \$1,000/kW.
Fuel Cells: Residential	30% efficiency	30% up to \$1000/kW	2006 - 2016	
Microturbines (only business credit)	26% efficiency	10% up to \$200/kW	2006 - 2016	
On-Site Renewables				
Solar Water Heating		30% up to \$2,000	2006 - 2016	*Until Jan. 1, 2009, when the cap expires. Additional restrictions apply. See TIAP web site for details. See http://www.geoexchange.org/ for more information
Solar Photovoltaic (PV) Systems		30% up to \$2,000*	2006 - 2016	
On-Site Small Wind	100 kW capacity or less	30% up to \$4,000*	2008 - 2016	
Geothermal Heat Pumps	30% of expenditures up to a cap of \$2,000		2008 - 2016*	
<i>*Commercial buildings installing heat pumps can only take the \$2,000 incentive if installed after Oct. 3, 2008.</i>				
Vehicles				
Passenger vehicles	Complicated formula -- see http://aceee.org/transportation/hybtaxcred.htm for more information			
Heavy-duty vehicles	Complicated formula -- see http://aceee.org/transportation/hybtaxcred.htm for more information			

Key: AC= air conditioner; AFUE= annual fuel utilization efficiency; ASHRAE = American Society of Heating, Refrigerating & Air-Conditioning Engineers; CEE = Consortium for Energy Efficiency
COP= coefficient of performance; EER= energy efficiency ratio; EF= energy factor; HP= heat pump; HSPF= heating season performance factor; IECC= International Energy Conservation Code
kW= kilowatt; MEF= modified energy factor; SEER= seasonal energy efficiency ratio; WF= water factor.