

Tax Incentives Assistance Project Summary of Federal Energy Efficiency Tax Incentives

For more information see: www.energytaxincentives.org

Product	Eligibility Information	Amount of Incentive	Years Covered	Notes
Existing homes and other non-business applications				
Central Air Conditioners and Air-Source Heat Pumps	Must achieve highest efficiency tier established by CEE as of 1/1/2009. For most equipment, this is SEER 16.	30% of the cost of installation (includes materials and labor)	2009-2010	\$1,500 per taxpayer cap for existing home energy efficiency incentives For list of qualified products, go to the Consortium for Energy Efficiency Product Directory web site: www.ceehvacdirectory.org/continue.html
Water heaters (non-business applications)		30% of the cost of installation (includes materials and labor)	2009-2010	See AHRI Web site for list of qualifying products:
Electric	2.0 EF		2009-2010	
Gas and oil	0.82 EF		2009-2010	http://www.ahrinet.org/Content/FederalEnergyEfficiencyTaxCredits_853.aspx
	<i>*or a thermal efficiency of at least 90%</i>			
Gas and oil furnaces and boilers		30% of the cost of installation (includes materials and labor)	2009-2010	See AHRI Web site (link above) for list of qualifying products. There is also an incentive for furnace fans. Check the TIAP site for details.
Furnaces (gas & propane)	95 AFUE		2009-2010	
Boilers and oil furnaces	90 AFUE		2009-2010	
Biomass Stoves	Thermal efficiency of 75% as measured using a lower heating	30% of the cost of installation (includes materials and labor)	2009-2010	See www.pelletheat.org for more information
Envelope improvements to existing homes				
Insulation, duct sealing and infiltration reduction	Meet 2009 IECC & supplements			Includes duct sealing and infiltration reduction.
Exterior doors, windows and skylights	Equal to or below 0.30 U Factor and SHGC of 0.30	30% of the cost of installation (includes materials only)	2009-2010	There is also an incentive for window films. See the TIAP site for details.
Roofs made of metal with pigmented coatings or asphalt with cooling granules	Meet Energy Star spec			
Appliances				
<i>All appliance incentives go to manufacturer, not consumer; manufacturers are expected to reduce prices accordingly.</i>				
Refrigerators				
Save 20-22.9% relative to federal standard	Look to left	\$50	2008	
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	MEF: Modified Energy Factor. The higher the MEF, the more efficient the unit.
Clothes Washers				
Meet/Exceed 1.72 MEF, do not exceed 8.0 WCF	residential, top-loading	\$75	2008	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	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.
Dishwashers				
Models using no more than 324 kilowatt hours/year and 5.8 gallons of water/cycle		\$45.00	2008 & 2009	
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				
<i>Incentives go to the builder, not the homebuyer.</i>				
Site-built or manufactured homes	50% savings	\$2,000	2006 - 2009	Savings relative to 2004 IECC.
Manufactured homes	30% savings	\$1,000	2006 - 2009	Savings relative to 2004 IECC.
	or meets Energy Star		2006 - 2009	
Commercial Buildings				
Whole building	50% savings	Deduction of \$1.80/sq.ft.	2006 - 2013	<i>Max. is \$0.60/sq.ft. per system or \$1.80/sq.ft. for whole bldg.</i> Savings relative to ASHRAE 90.1-2001.
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	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	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: Businesses, utilities, telecommunications firms	30% efficiency	30% up to \$3000/kW		Systems < 2000 kW.
Fuel Cells: Residential	30% efficiency	30% up to \$1000/kW	2006 - 2016	
Microturbines (only business credit)	26% efficiency	10% up to \$200/kW		
On-Site Renewables				
<i>30% of system installed costs, with some caveats (see below)</i>				
Solar Photovoltaic (PV) and Solar Water Heating Systems	See site for details.	30% up to \$2,000*	2006 - 2016	*On-site renewable property installed after December 31, 2008 is not subject to any cap or restriction beyond the 30% of installed cost.
On-Site Small Wind	100 kW capacity or less	30% up to \$4,000*	2008 - 2016	See TIAP web site for details.
Geothermal Heat Pumps	Meets Energy Star spec.	30% up to \$2,000*	2008 - 2016**	See http://www.geoexchange.org/ for more information
<i>**Commercial buildings installing heat pumps can only take the \$2,000 incentive if installed after Oct. 3, 2008.</i>				
Vehicles				
For details on passenger vehicle/consumer vehicle incentives: www.energytaxincentives.org/consumers/vehicles.php				
Passenger hybrid and alternative-fuel vehicles, and plug-in electric vehicles	See www.aceee.org/transportation/hybtaxcred.htm for details on credit calculation		Dependent on manufacturer sales	For details on commercial vehicle incentives: www.energytaxincentives.org/business/commercial_vehicles.php
Heavy-duty vehicles				

Key: AFUE= annual fuel utilization efficiency; ASHRAE = American Society of Heating, Refrigerating & Air-Conditioning Engineers; CEE = Consortium for Energy Efficiency
EF= energy factor; HSPF= heating season performance factor; IECC= International Energy Conservation Code; kW= kilowatt; SEER= seasonal energy efficiency ratio; SHGC= Solar Heat Gain Coefficient; WF= water factor.