

## TAX CREDITS REWARD CONSUMERS

The economic stimulus bill rewards consumers, with significant upgrades to energy efficient products, with tax credits.

The Federal tax credits that were previously effective for 2009 have been extended through 2010. The tax credit has been raised from 10 percent to 30 percent, (SSI Note) for the entire amount minus rebates. And some improvements such as geothermal heat pumps, solar water heaters, and solar panels are not subject to the \$1,500 maximum. The \$200 cap on windows has been removed, but the efficiency requirements for windows have been increased significantly. Not all Energy Star-qualified windows will earn the credit. Plug-in hybrid electric vehicles get a tax credit of up to \$7,500.

Here is a look at home improvements that may qualify for a tax credit of 30 percent of cost, up to \$1,500, according to Energy Star. Visit [www.energystar.gov](http://www.energystar.gov) for more information on products' tax-credit eligibility.

- Exterior windows and doors
- Metal and asphalt roofing
- Insulation
- Furnaces and AC
- Water heaters
- Biomass stoves

Here is a look at home improvements that may qualify for a tax credit of 30 percent of cost with no maximum:

- Geothermal heat pumps
- Solar energy systems (solar panels – PV & Thermal)
- Small wind energy systems

For more information, visit [www.energystar.gov](http://www.energystar.gov). Also, visit your county or local government web site for information on rebates for energy-efficient and water-efficient products.

(Denver Post, 2009-04-19)

## Extract from the Solar Energy Industries Association (SEIA)

On July 9, 2009, the U.S. Treasury Department (“Treasury”) released guidance related to the Treasury Grant program enacted under Section 1603 of the American Recovery and Reinvestment Tax Act of 2009. Generally, Section 1603 provides a 30% cash grant in lieu of investment tax credits for solar facilities that are (a) placed in service in 2009 or 2010 (regardless of when construction began), or (b) placed in service after 2010 but before January 1, 2017, but only if the construction of such property began during 2009 or 2010. The Treasury Grant is only available for property that is used in a trade or business or held for the production of income. Accordingly, non-business energy property and residential energy efficient property eligible for tax credits under Section 25C and 25D of the Internal Revenue Code (the “Code”) do not qualify for a Treasury Grant.

This document is only a summary of certain aspects of the Treasury Grant program guidance. Complete details regarding the application process and the program guidance is available at:

<http://www.seia.org/galleries/pdf/Grant%20program%20guidance%2007%2009%2009.pdf>.