



Please find information of eligible products and tax credit amounts as illustrated on the energystar.gov website. This information was published as of 7/30/2009. Please consult with the government website as well as the IRS and your tax professional and/or accountant for additional details and updates. Please note that we are providing this information as a summary only.

*Tax Credit Information
&
Eligible Products*



THE QUALITY OF OUR ENVIRONMENT
IS EVERYONE'S RESPONSIBILITY

U.S. Environmental Protection Agency • U.S. Department of Energy

Federal Tax Credits for Energy Efficiency includes:

❖ [Tax Credits for Consumers](#)

✓ Tax credits are available at 30% of the cost, up to \$1,500, in 2009 & 2010 (for existing homes only) for:

- [Windows and Doors](#)
- [Insulation](#)
- [Roofs \(Metal and Asphalt\)](#)
- [HVAC](#)
- [Water Heaters \(non-solar\)](#)
- [Biomass Stoves](#)

✓ Tax credits are available at 30% of the cost, with no upper limit through 2016 (for existing homes & new construction) for:

- [Geothermal Heat Pumps](#)
- [Solar Panels](#)
- [Solar Water Heaters](#)
- [Small Wind Energy Systems](#)
- [Fuel Cells](#)

❖ [Cars](#)

❖ [Tax Credit Legislation](#)

❖ [IRS Guidance](#)

❖ [For More Information](#)

**Please note, not all ENERGY STAR qualified homes and products qualify for a tax credit. These tax credits are available for a number of products at the highest efficiency levels, which typically cost much more than standard products. If, for whatever reason, you decide not to purchase a product covered by the tax credit, you may still consider purchasing an ENERGY STAR product. ENERGY STAR distinguishes energy efficient products which, although they may cost more to purchase than standard models, will pay you back in lower energy bills within a reasonable amount of time, without a tax credit.

Tax Credits for Consumers:

Home Improvements

Tax credits are now available for home improvements:

must be "[placed in service](#)" from January 1, 2009 through December 31, 2010

must be for taxpayer's principal residence, EXCEPT for geothermal heat pumps, solar water heaters, solar panels, and small wind energy systems (where second homes qualify)

\$1,500 is the maximum total amount that can be claimed for all products placed in service in 2009 & 2010 for most home improvements, EXCEPT for geothermal heat pumps, solar water heaters, solar panels, fuel cells, and small wind energy systems which are not subject to this cap, and are in effect through 2016

must have a [Manufacturer Certification Statement](#) to qualify

for record keeping, save your receipts and the [Manufacturer Certification Statement](#)

improvements made in 2009 will be claimed on your 2009 taxes (filed by April 15, 2010) — use IRS Tax Form 5695 (2009 version) — it will be available late 2009 or early 2010

If you are building a new home, you can qualify for the tax credit for geothermal heat pumps, photovoltaics, solar water heaters, small wind energy systems and fuel cells, *but not the tax credits for windows, doors, insulation, roofs, HVAC, or non-solar water heaters.* [More.](#)

SUMMARY OF TAX CREDITS FOR HOMEOWNERS

Product Category	Product Type	Tax Credit Specification	Tax Credit	Notes
Insulation	Insulation	Meets 2009 IECC & Amendments	30% of cost, up to \$1,500 ¹	For insulation to qualify, its primary purpose must be to insulate (example: insulated siding does not qualify). Check to see if you have Home Performance with ENERGY STAR in your areas. Adding insulation to your home is covered.
Windows & Doors	Exterior Windows and Skylights	Before June 1, 2009: Must meet ENERGY STAR criteria After June 1, 2009: U factor <= 0.30 SHGC <= 0.30	30% of cost, up to \$1,500 ¹	Not all ENERGY STAR labeled windows and skylights qualify for tax credit. More information
	Storm Windows	In combination with the exterior window over which it is installed: 1. has a U-factor and SHGC of 0.30 or below 2. Meets the IECC	30% of cost, up to \$1,500 ¹	FAQ on storm doors and storm windows.



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	Exterior Doors	<p>Before June 1, 2009: Must meet ENERGY STAR criteria</p> <p>After June 1, 2009: U factor \leq 0.30</p> <p>SHGC \leq 0.30</p>	30% of cost, up to \$1,500 ¹	<p>Not all ENERGY STAR doors will qualify.</p> <p>More information</p>
	Storm Doors	<p>In combination with a wood door over which it is installed:</p> <ol style="list-style-type: none"> has a U-factor and SHGC of 0.30 or below Meets the IECC 	30% of cost, up to \$1,500 ¹	FAQ on storm doors and storm windows.
Roofing	Metal Roofs, Asphalt Roofs	All ENERGY STAR qualified metal and reflective asphalt shingles	30% of cost, up to \$1,500 ¹	FAQ on roofs that qualify for the tax credit
HVAC	Central A/C	<p><i>Split Systems:</i> EER \geq 13 SEER \geq 16</p> <p><i>Package systems:</i> EER \geq 12 SEER \geq 14</p>	30% of cost, up to \$1,500 ¹	<p>FAQ on Central ACs that qualify for the tax credit</p> <p>FAQ on Air Source Heat Pumps that qualify for the tax credit</p>
	Air Source Heat Pumps	<p><i>Split Systems:</i> HSPF \geq 8.5 EER \geq 12.5 SEER \geq 15</p> <p><i>Package systems:</i> HSPF \geq 8 EER \geq 12 SEER \geq 14</p>	30% of cost, up to \$1,500 ¹	Note — not all ENERGY STAR products will qualify for the tax credit. View ENERGY STAR criteria.
	Natural Gas or Propane Furnace	AFUE \geq 95	30% of cost, up to \$1,500 ¹	FAQ on Furnaces and Boilers that qualify for the tax credit
	Oil Furnace	AFUE \geq 90	30% of cost, up to \$1,500 ¹	Note — not all ENERGY STAR products will qualify for the tax credit. View ENERGY STAR criteria for furnaces , boilers .
	Gas, Propane, or Oil Hot Water Boiler	AFUE \geq 90	30% of cost, up to \$1,500 ¹	
	Advanced Main Air Circulating Fan	No more than 2% of furnace total energy use.	30% of cost, up to \$1,500 ¹	Read this FAQ if the fan qualifies, but the furnace

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Product Category	Product Type	Tax Credit Specification	Tax Credit	Notes
				does not.
Water Heaters	Gas, Oil, Propane Water Heater	Energy Factor ≥ 0.82 or a thermal efficiency of at least 90%.	30% of cost, up to \$1,500 ¹	FAQ on Water Heaters that qualify for the tax credit
	Electric Heat Pump Water Heater	Same criteria as ENERGY STAR: Energy Factor ≥ 2.0	30% of cost, up to \$1,500 ¹	View ENERGY STAR criteria for water heaters.
Biomass Stove	Biomass Stove	Stove which burns biomass fuel to heat a home or heat water. Thermal efficiency rating of at least 75% as measured using a lower heating value.	30% of cost, up to \$1,500 ¹	FAQ on biomass stoves.
Geo-Thermal Heat Pump	Geo-Thermal Heat Pump	Same criteria as ENERGY STAR: Closed Loop: EER ≥ 14.1 COP ≥ 3.3 Open Loop: EER ≥ 16.2 COP ≥ 3.6 Direct Expansion: EER ≥ 15 COP ≥ 3.5	30% of the cost	All ENERGY STAR geo-thermal heat pumps qualify for the tax credit. Must be " placed into service " before December 31, 2016.
Solar Energy Systems	Solar Water Heating	At least half of the energy generated by the "qualifying property" must come from the sun. Homeowners may only claim spending on the solar water heating system property, not the entire water heating system of the household. The credit is not available for expenses for swimming pools or hot tubs. The water must be used	30% of cost	All ENERGY STAR solar water heaters qualify for the tax credit. Must be placed in service before December 31, 2016.

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		in the dwelling. The system must be certified by the Solar Rating and Certification Corporation (SRCC).		
	Photovoltaic Systems	Photovoltaic systems must provide electricity for the residence, and must meet applicable fire and electrical code requirement.	30% of cost	Must be placed in service before December 31, 2016.
Small Wind Energy Systems	Residential Small Wind Turbines	Has nameplate capacity of not more than 100 kilowatts.	30% of cost	Must be placed in service before December 31, 2016.
Fuel Cells	Residential Fuel Cell and microturbine system	Efficiency of at least 30% and must have a capacity of at least 0.5 kW.	30% of the cost, up to \$500 per .5 kW of power capacity	Must be placed in service before December 31, 2016.
Cars	Hybrid gasoline-electric, diesel, battery-electric, alternative fuel, and fuel cell vehicles		Based on a formula determined by vehicle weight, technology, and fuel economy compared to base year models	<p>There is a 60,000 vehicle limit per manufacturer before a phase-out period begins. Toyota and Honda have already been phased out. Credit is still available for Ford, GM and Nissan.</p> <p>For more information visit: Fueleconomy.gov EXIT ↗</p> <p>Use IRS Form 8910  EXIT ↗ for hybrid vehicles purchased for personal use.</p> <p>Use IRS Form 3800  EXIT ↗ for hybrid vehicles purchased for business purposes.</p>
	Plug-in hybrid electric vehicles		\$2,500–\$7,500	The first 250,000 vehicles sold get the full tax credit (then it phases out like the hybrid vehicle tax

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				credits). Effective January 1, 2009.

¹ Subject to a \$1,500 maximum per homeowner for all improvements combined.

Efficient Cars

Starting January 1, 2009, there is a new tax credit for Plug-in hybrid electric vehicles, starting at \$2,500 and capped at \$7,500 for cars and trucks (the credit is based on the capacity of the battery system). The first 250,000 vehicles sold get the full tax credit (then it phases out like the hybrid vehicle tax credits).

Tax credits are available to buyers of hybrid gasoline-electric, diesel, battery-electric, alternative fuel, and fuel cell vehicles. The tax credit amount is based on a formula determined by vehicle weight, technology, and fuel economy compared to base year models. These credits are available for vehicles [placed in service](#) starting January 1, 2006. For hybrid and diesel vehicles made by each manufacturer, the credit will be phased out over 15 months starting after that manufacturer has sold 60,000 eligible vehicles. For vehicles made by manufacturers that have not reached the end of the phase-out, the credits will end for vehicles [placed in service](#) after December 31, 2010. [See the IRS Website for updated information](#) [EXIT ↗](#).

IRS Guidance:

[IRS Notice 2009-53 \(6/22/2009\) Interim guidance for Section 25C](#) [EXIT ↗](#)

[IRS Notice 2009-41 \(5/11/2009\) Interim guidance for Section 25D](#) [EXIT ↗](#)