



Tell Your Customers: Consumer Tax Credit Extended

Malta, NY, January 9, 2013 - We know home performance can be a tough sell. But thanks to Congress' last-minute deal to avert the "fiscal cliff," a \$500 tax credit for your customers will make it just a bit easier for you to make your own deal. Take a moment to educate your customers on the importance of these upgrades, and the limited time in which they have to redeem the tax credit. This is an opportunity for you to grow your relationship with your customers, and for your customers to save money on improvements that will make their homes safer and more comfortable places to live.

The American Taxpayer Relief Act of 2012 passed by Congress on January 3, 2013, provides extensions of energy tax credit provisions that benefit homeowners seeking energy-efficiency improvements. Under section 25C, homeowners can claim a \$500 maximum tax credit to cover material costs of energy-efficient upgrades to existing homes for all taxable years. The credit is only redeemable if the upgrades are in place by the end of 2013.

If a taxpayer has claimed \$500 or more of this tax credit in any year prior to 2013, they may not claim any additional credit. For those that remain eligible, the tax credit can be applied to any of the following upgrades:

- **Insulation** - Additional insulation to walls, ceilings, or other part of the building envelope that meets the 2009 IECC (& supplements) specifications.
- **Windows** - 10% of material cost, up to \$200 for replacement windows and skylights, and exterior doors that meet EnergyStar requirements.
 - Windows must be equal to or below a 0.30 U factor and a Solar Heat Gain Coefficient (SHGC) of 0.30. Storm windows that meet the IECC in combination with their paired external window are eligible (taking into account the applicable climate zone). Storm doors paired with U-factor rated wood doors are eligible provided they do not exceed the default U-factor requirement for the combination. See the 2009 IECC for details.
- **Window Films** -The product must meet the requirements of a "qualifying insulation system" and be manufacturer certified.
- **Home Sealing** - Sealing cracks in the building shell and ducts to reduce infiltration and heat loss in a manner consistent with the 2009 IECC.
- **Electric Heat Pump** - Must yield an energy factor of at least 2.0 in the standard Department of Energy test procedure,
- **Natural Gas & Propane Furnaces** - Credit of up to \$150 for furnaces that meet an Annual Fuel Use Efficiency (AFUE) 95 or higher. Oil furnaces and gas, oil and propane boilers must meet an AFUE of 90 or better.
- **Central air Conditioning Units and Air-Source Heat Pumps** - Credit of up to \$300 for units that meet the highest tier standards set by the Consortium for Energy Efficiency (CEE) as of February 17, 2009, which in most cases requires a Seasonal Energy Efficiency Ratio (SEER) of 16.
- **Natural Gas, Propane, or Oil Water Heaters** - Must have an energy factor of at least 0.82 or thermal efficiency of at least 90 percent.
- **Biomass Fuel Property** - A stove that burns biomass fuel to heat a dwelling unit located in the United States and used as a principal residence by the taxpayer; or to heat water for said dwelling unit, and must have a thermal efficiency rating of at least 75 percent.