

In The News:

Federal Tax Credits

On February 17, 2009, President Obama signed a stimulus bill ([The American Recovery and Reinvestment Act of 2009](#)) that made some significant changes to the energy efficiency tax credits.

Tax Credits for Homeowners:

The efficiency levels have been modified to reflect the highest tier of the [CEE High-efficiency Specification for Residential HVAC Systems](#) for equipment "placed in service" between Feb. 17, 2009 to Dec. 31, 2010. Please note: Equipment listed in the chart below (except water heaters, which only needs to achieve one of the efficiency specifications) must meet all performance specifications for its category. For example, a tax-credit eligible split central air conditioner must have stated performance ratings of 13 EER and 16 SEER.

- The tax credit has been raised from 10% to 30% for certain products.
- The tax credits that were for a specific dollar amount (i.e. \$300 for a CAC), have been converted to 30% of the cost.
- The maximum credit has been raised from \$500 to \$1500 for the two years (2009–2010). However, some improvements such as geothermal heat pumps, solar water heaters, and solar panels are not subject to the \$1,500 maximum.
- Improvements made in 2009 will be claimed on your 2009 taxes (filed by April 15, 2010) — [use IRS Tax Form 5695 \(2009 version\)](#) —