

2010 Green Tax Incentives: Residential Buildings

Below are **federal and Oregon** tax incentives available in **2010** for the **entity** tax filer. For more information about Perkins & Co's Green Energy Tax Services, or for the Frequently Asked Questions to this worksheet, please visit our website: <http://www.perkinsaccounting.com/green-energy-tax-services.html>

What will you do?

Build it greener

High performance homes

Build a single family dwelling certified through the Energy Star Homes Northwest Program. Must include at least one renewable energy system and meet other green requirements.

\$3,000 per qualifying home shell

<http://www.oregon.gov/ENERGY/CONS/BUS/tax/BETC-Homebuilders.shtml>;

<http://www.oregon.gov/ENERGY/CONS/BUS/docs/HPH.pdf>

Homebuilder installed renewable energy facilities

Install a qualified passive solar space heating system. System must be certified by qualified engineer.

\$600 plus \$0.60/sq ft of heated floor space (this is part of the Renewable Systems Credit which is capped at \$9,000 per home)

<http://www.oregon.gov/ENERGY/CONS/BUS/tax/BETC-Homebuilders.shtml>;

<http://www.oregon.gov/ENERGY/CONS/BUS/docs/HPH.pdf>

Buy and install a qualified solar water heating system. System must be verified by tax credit certified technician.

\$0.60/kWh saved (as determined by Oregon Department of Energy -- this is part of the Renewable Systems Credit which is capped at \$9,000 per home)

<http://www.oregon.gov/ENERGY/CONS/BUS/tax/BETC-Homebuilders.shtml>;

<http://www.oregon.gov/ENERGY/CONS/BUS/docs/HPH.pdf>

Buy and install solar electric system ("PV") composed of new qualified system and have system verified by tax credit certified technician.

\$3/watt of installed capacity (this is part of the Renewable Systems Credit which is capped at \$9,000 per home)

<http://www.oregon.gov/ENERGY/CONS/BUS/tax/BETC-Homebuilders.shtml>;

<http://www.oregon.gov/ENERGY/CONS/BUS/docs/HPH.pdf>

Install a qualified active solar space heating system and get a credit for amount of conventional energy not used. System must be verified by a tax credit certified technician.

\$0.60/kWh saved (as determined by Oregon Department of Energy -- this is part of the Renewable Systems Credit which is capped at \$9,000 per home)

\$0.60 - \$17.86/sq. ft depending on total building square footage & LEED certification achieved

<http://www.oregon.gov/ENERGY/CONS/BUS/tax/sustain.shtml>;

<http://www.oregon.gov/ENERGY/CONS/BUS/docs/Sustain.pdf>

2010 Green Tax Incentives: Residential Buildings

Weatherization, ventilation, lighting

Light your new construction 10% more efficiently than energy code or standard industry practice. Must have simple payback period of 1 to 15 years.

35% of incremental (or addition) cost of making project exceed energy code or standard industry practice

<http://www.oregon.gov/ENERGY/CONS/BUS/tax/BETC-Efficiency.shtml>;

<http://www.oregon.gov/ENERGY/CONS/BUS/docs/Lighting.pdf>

Weatherize your residential rentals to save at least 10% of energy used before weatherization.

35% of eligible project costs

<http://www.oregon.gov/ENERGY/CONS/BUS/tax/BETC-Dwellings.shtml>;

<http://www.oregon.gov/ENERGY/CONS/BUS/docs/rental.pdf>

Buy equipment

Residential appliances

Buy a new clothes washer, dishwasher, or refrigerator off the list of qualified models for your residential rental.

35% of Residential Energy Tax Credit amount

<http://www.oregon.gov/ENERGY/CONS/BUS/docs/Appliance.pdf>

Install frequent use (4-8 loads/day) front loading "horizontal access" clothes washers and dryers - must be 10% more efficient than non-front loading equivalents.

35% of incremental (or addition) cost of making project exceed energy code or standard industry practice

<http://www.oregon.gov/ENERGY/CONS/BUS/docs/wash.pdf>

Increase your energy efficiency

Conservation projects

Save 10% of energy used in a commercial system (e.g., space heating). Must have simple payback period of 1 - 15 years.

35% of incremental cost of making project exceed energy code or standard industry practice

<http://www.oregon.gov/ENERGY/CONS/BUS/tax/BETC-Efficiency.shtml>,

<http://www.oregon.gov/ENERGY/CONS/BUS/docs/Cons.pdf>

Save 10% of energy used in a new or existing building. Must have simple payback period of 1 - 15 years.

35% of incremental cost of making project exceed energy code or standard industry practice

<http://www.oregon.gov/ENERGY/CONS/BUS/tax/BETC-Efficiency.shtml>,

<http://www.oregon.gov/ENERGY/CONS/BUS/docs/Cons.pdf>

2010 Green Tax Incentives: Residential Buildings

Save 10% of energy used in an industrial process (e.g., process steam, blast freezer). Must have simple payback period of 1 - 15 years.

35% of incremental (or addition) cost of making project exceed energy code or standard industry practice

<http://www.oregon.gov/ENERGY/CONS/BUS/tax/BETC-Efficiency.shtml>,

<http://www.oregon.gov/ENERGY/CONS/BUS/docs/Cons.pdf>

Improve your truck's (or truck fleet's) fuel efficiency by at least 10%, get a tax credit based on the cost of the efficiency upgrades. Must have simple payback period of 1-15 years.

35% of eligible project costs

<http://www.oregon.gov/ENERGY/TRANS/transhm.shtml>,

<http://www.oregon.gov/ENERGY/CONS/BUS/docs/Truck.pdf>

Retrofit your lighting to be 25% more efficient than existing lighting and recycle your old fixtures. Must have simple payback period of 1 - 15 years.

35% of incremental (or addition) cost of making project exceed energy code or standard industry practice

<http://www.oregon.gov/ENERGY/CONS/BUS/tax/BETC-Efficiency.shtml>,

<http://www.oregon.gov/ENERGY/CONS/BUS/docs/Cons.pdf>

Parking Cash Out – Get a credit for offering a cash allowance or a transit pass given to an employee in lieu of offering or providing the employee a free or subsidized commuter parking space. Eligible cost is the cost of providing a commuter parking space.

35% of eligible project costs

<http://www.oregon.gov/ENERGY/CONS/BUS/docs/TransApp.pdf>

Car Sharing – Get a credit for running a program in which drivers pay to become members in order to have joint access to a fleet of cars. Eligible costs include the fair market value of parking places, but not the cost of the fleet cars.

35% of eligible project costs

<http://www.oregon.gov/ENERGY/TRANS/transhm.shtml>,

<http://www.oregon.gov/ENERGY/CONS/BUS/docs/TransApp.pdf>

Carpool/Vanpool – Get a credit for the cost of providing a transportation service for registered members to carpool at least 150 calendar days per year. Eligible cost includes vehicle operation cost, but does not include the cost of the vehicle.

35% of eligible project costs

<http://www.oregon.gov/ENERGY/TRANS/transhm.shtml>,

<http://www.oregon.gov/ENERGY/CONS/BUS/docs/TransApp.pdf>

2010 Green Tax Incentives: Residential Buildings

Telework – Get a credit for the purchase and installation of equipment that allows an employee to work from home (or an office closer to home) at least 45 days a year.

35% of eligible project costs

<http://www.oregon.gov/ENERGY/TRANS/transhm.shtml>,
<http://www.oregon.gov/ENERGY/CONS/BUS/docs/TransApp.pdf>

Telework – Get a credit for the purchase and installation of equipment that reduces an employees' business-related travel by at least 25%.

35% of eligible project costs

<http://www.oregon.gov/ENERGY/TRANS/transhm.shtml>,
<http://www.oregon.gov/ENERGY/CONS/BUS/docs/TransApp.pdf>

Transit Passes – Get a credit for the portion of transit passes you pay for. Riders must use passes at least 45 working days per year. Costs to build a shelter for employees waiting for transit may also qualify.

35% of eligible project costs

<http://www.oregon.gov/ENERGY/TRANS/transhm.shtml>,
<http://www.oregon.gov/ENERGY/CONS/BUS/docs/TransApp.pdf>

Weatherization, ventilation, lighting

Reduce your building's energy costs for heating, cooling, ventilation, water heating and lighting by 50%, write off \$1.80/sq. ft instead of capitalizing it. Reduced \$0.60/sq ft deduction available for single building system (envelope, heating/cooling, lighting) improvements with overall energy savings of 10%, 20%, and 20% respectively.

\$0.30 - \$1.80 per sq ft of expenses may be deducted rather than capitalized

http://energytaxincentives.org/business/commercial_buildings.php

Disclaimer:

This document is a summary and is not intended as tax or legal advice. You should consult with your tax advisor to obtain specific advice with respect to your fact pattern. Based on the most recent "best practice" standards for tax advisors issued by the Treasury Department, commonly referred to as Circular 230, we wish to advise you that this document has not been prepared to be used, and cannot be used, to provide assurance that penalties which may be assessed by the IRS or other taxing authority (including specifically section 6662 understatement penalties) will not be upheld.