

# Stimulus Funding Available For Energy Efficiency

*If you purchase an energy-efficient product or renewable energy system for your home, you may be eligible for a federal tax credit!*

The federal government has introduced a variety of financial incentives as part of their stimulus package for residents and businesses. One of these incentives, specifically for residents/homeowners, is the tax credit of up to \$1,500 to make your home more energy efficient. This web post will explain how this and another tax credit might benefit you and your family!

## **\$1,500 Tax Credit for 2009/2010 per Household**

This tax credit is not a dollar for dollar credit for the money you spend; it is calculated at 30% of the cost up to a maximum credit of \$1,500, this is a great deal! You will receive 30% off an energy efficiency product or home retrofit plus continue to benefit from reduced energy costs for years to come. So how do you take advantage of this tax credit?

First, the energy efficiency improvements must be at an existing and principle residence; new construction, rentals, and vacation homes **do not** qualify.

Secondly, the maximum credit is \$1,500 over the 2009 & 2010 time frame.

Thirdly, these are “non-refundable” tax credits so you can’t get more back in tax credits than you pay in federal income tax.

Lastly, there are no income limits so everyone is eligible!

**Here are some things you can do to take advantage of this tax credit incentive:**

- **Windows and Doors**
- **Insulation**
- **Roofs (metal and asphalt)**
- **HVAC systems, including installation costs (this is the only one that labor can be included in the tax credit calculation)**
- **Water Heaters**

For a list of products not eligible, see the Energy Star Website under the “Tax Credits for Energy Efficiency” link at [http://www.energystar.gov/index.cfm?c=tax\\_credits.tx\\_index](http://www.energystar.gov/index.cfm?c=tax_credits.tx_index)



## **Tax Credit for 30% of the Cost With NO UPPER LIMIT**

This tax credit is available until December 31, 2016 and is for significant investments in renewable energy systems for homes and there is no upper limit to the tax credit you can receive! This can be applied to improvements made to existing homes, new construction, and principle and second homes (rental properties do not qualify). Also, labor costs ARE eligible for the tax credit calculation for these improvements.

Here are systems that qualify: Solar Photovoltaic systems, Solar Water Heaters, Small Wind Turbines (Residential), and Geothermal Heat Pumps. Some of these improvements may also qualify for rebates from the Southern California Gas Company.

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