

Compliments of:
Brad Borncamp, CPA, LLC

**Summary of Energy Credits
For Tax Years 2015 & 2016**

**This list is for informational purposes only and may not be all inclusive.
All expenditures must meet certain energy ratings to qualify.
Consult your tax advisor before making any of these improvements.**

Eligible Energy Improvements (note 1) (under IRS code section 25C)		Maximum Amount of Tax Credit
Residential energy improvements (net cost):		
Exterior Windows	10% of qualified costs	\$200
Skylights	10% of qualified costs	\$200
Exterior Doors	10% of qualified costs	\$500
Insulation	10% of qualified costs	\$500
Systems to reduce heat gain/loss	10% of qualified costs	\$500
Metal or asphalt roofs with pigment coatings	10% of qualified costs	\$500
High efficiency equipment (net cost):		
Air conditioner	10% of qualified costs	\$300
Electric heat pumps	10% of qualified costs	\$300
Water heaters	10% of qualified costs	\$300
Biomass stoves	10% of qualified costs	\$300
Furnace (gas, propane, or oil)	10% of qualified costs	\$150
Hot water boiler (gas, propane, or oil)	10% of qualified costs	\$150
Advanced main air circulating fans	10% of qualified costs	\$50
 Total of all Sec 25C tax credits for all items	 this is a lifetime maximum	 <u><u>\$500</u></u>

Note 1 - lifetime maximum total of all Sec 25C tax credits cannot exceed \$500, which include any Sec 25C tax credits taken in tax years since 2005 and only for items installed in the taxpayers primary US residence qualify, no credit for second homes or rentals.
Sec 25C credits are set to expire after 2016

Renewable Energy Improvements (note 2)
(under IRS code section 25D)

Net cost of qualified expenditures on:		
Solar water heating equipment	30% of qualified costs	no maximum
Solar electric generating equipment	30% of qualified costs	no maximum
Wind energy equipment	30% of qualified costs	no maximum
Geothermal heat pump equipment	30% of qualified costs	no maximum
Fuel cell electricity generating equipment	\$500/half kilowatt hour	no maximum

Note 2 - There is NO lifetime maximum for the Sec 25D tax credits (can be carried to future years) for improvements only to the taxpayer's primary US residence qualify.
- Sec 25D tax credits are 30% thru 2019, 26% for 2020, 22% for 2021, then expire.
- Tax deductions may apply for rentals or commercial property improvements thru 2016.
- Other credits may apply for construction contractors thru 2016.