



"Pioneers In America's Rural Electrification"

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2011 Federal Tax Credits for Energy Efficiency

On December 17, 2010, President Obama signed the **Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010**. This law extends the tax credits for energy efficiency into 2011, But at lower levels. Tax credits that were 30% up to \$1,500 EXPIRED on December 31, 2010. New tax credits were passed, but at lower levels. The levels revert back to those in effect in 2006 and 2007, which were 10% of the cost of the improvement, up to \$500, with a \$200 max for windows, and several other set maximums.

Expires:

December 31, 2011

Details:

Must be an existing home and your principal residence, new construction and rentals **do not** qualify. Save your receipts, or make copies of them, and the manufacturer certification statement for your records.

Electric Heat Pump Water Heater



Water heating can account for 14%–25% of the energy consumed in your home.

Tax Credit Amount: \$300

Requirements

Energy Factor \geq 2.0

Air Source Heat Pumps



Heat pumps offer an energy-efficient alternative to furnaces and air conditioners in moderate climates. Like your refrigerator, heat pumps use electricity to move heat from a cool space into a warm, making the cool space cooler and the warm space warmer. During the heating season, heat pumps move heat from the cool outdoors into your warm house; during the cooling season, heat pumps move heat from your cool house into the warm outdoors. Because they move heat rather than generate heat, heat pumps can provide up to 4 times the amount of energy they consume.

Tax Credit Amount: \$300

Requirements

Split Systems:

HSPF \geq 8.5

EER \geq 12.5

SEER \geq 15

Package systems:

HSPF \geq 8

EER \geq 12

SEER \geq 14

Insulation



Adding adequate insulation is one of the most cost-effective home improvements that you can do.

Tax Credit Amount: 10% of the cost, up to \$500

Requirements

Typical bulk insulation products can qualify, such as batts, rolls, blow-in fibers, rigid boards, expanding spray, and pour-in-place.

Products that air seal (reduce air leaks) can also qualify, as long as they come with a Manufacturers Certification Statement, including:

- Weather stripping
- Spray foam in a can, designed to air seal
- Caulk designed to air seal
- House wrap

Tax Credit does not include installation costs. But, you can install the insulation/home sealing yourself and get the credit.

Roofing



Qualified roof products reflect more of the sun's rays, which can lower roof surface temperature by up to 100F, decreasing the amount of heat transferred into your home.

Tax Credit Amount: 10% of the cost, up to \$500

Requirements

Metal roofs with appropriate pigmented coatings and asphalt roofs with appropriate cooling granules that meet Energy Star requirements.

Tax Credit does NOT include installation costs.

Windows, Doors, Skylights



Energy efficient windows, doors and skylights can reduce energy bills.

Tax Credit Amount: 10% of the cost, up to \$500, but windows are capped at \$200.

Requirements

Must be ENERGY STAR qualified.

You do not have to replace all the windows/doors/skylights in your home to qualify. And it doesn't need to be a replacement either - installing a new window where there wasn't one previously (like in an addition) qualifies.

Tax Credit does NOT include installation costs.

Please note, not all ENERGY STAR qualified products qualify for a tax credit. ENERGY STAR distinguishes energy efficient products which, although they may cost more to purchase than standard models, will pay you back in lower energy bills within a reasonable amount of time, without a tax credit.

Source: energystar.gov