



Energy Efficiency Tax Credit Information

Window and Door Tax Credit FAQs

The tax credit made available to homeowners as part of *Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010*, signed into law December 17, 2010, extends certain energy efficient tax credits for qualifying windows, skylights, and exterior doors for a period of one year.

1. What windows and doors are eligible for the credit?

Windows, skylights and exterior doors that meet the ENERGY STAR rating.

2. How much is the tax credit?

The tax credit is \$200 for windows and skylights and \$500 for exterior doors. The maximum credit for all taxable years for qualifying products is \$500 — no more than \$200 of the credit can be attributable to expenses for windows and skylights.

3. What percentage of the product(s) purchase price is eligible?

Ten percent of the purchase price up to the cap listed in #2 (not including labor or materials for installation).

4. When does the tax credit take effect and how long does it last?

The tax credit begins January 1, 2011 and expires December 31, 2011. Purchasers of qualifying windows, skylights, and exterior doors must have them installed in their principal residence by December 31, 2011.

5. How does the tax credit compare to the previous credits? Are consumers who took advantage of those credits eligible for the new tax credit?

The 2011 tax incentives revert to the 2005-2008 levels: 10% of the cost installing efficient windows. Anyone who has taken advantage of the 2006 - 2010 programs cannot apply for incentives that exceed the cap. Example: if a consumer claimed \$500 in 2006 for a qualifying exterior door, the tax credit is exhausted; if only \$300 was claimed in 2009, \$200 can still be claimed - for a total of \$500.

6. Where can I get more information on the tax credits?

Visit <http://www.energystar.gov/index.cfm?c=home.index>. The IRS will issue additional specific guidance soon. Check <http://www.irs.gov> for updated information.

This information represents the best information available as of December 20, 2010. It summarizes the changes to the IRS Federal Tax Code (US Code Title 26, Section 25C) amended by the *Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010*. Contact an accountant or other tax professional for advice related to the specific tax credits.