

# Energy Efficient Building Deductions

## About the \$179D Tax Deduction

The Emergency Economic Stabilization Act of 2008 extended the Energy Efficient Commercial Building Deduction through December 31, 2013. This legislation offers a tax deduction of up to \$1.80/sf to those investing in energy efficient improvements placed in service after Jan 1, 2006. or refinement of products, processes and formulas may qualify.

## Eligible Improvements

Eligible improvements must reduce energy use for any of the following categories: a building's envelope, HVAC, and/or interior lighting systems. Currently, there are eight different ways to pursue a deduction and all require comparison to ASHRAE Standard 90.1-2001 and certification by a qualified individual.

## The Benefits

Sample Improvement Size	Partial Tax Deductions			Full Tax Deduction
	Lighting	HVAC	Envelope	
50,000 sf	\$15k - \$30K	\$30K	\$30K	\$90K
100,000 sf	\$60K	\$60K	\$60K	\$180K
300,000 sf	\$180K	\$180K	\$180K	\$540K

## Ideal Candidates

Unlike most deductions, which are based on the amount spent, this deduction is primarily based on affected square footages. Ideal candidates will generally have improvements with a square footage of at least 50,000 square feet. A wide range of improvements, from simple lighting retrofits to full-scale construction projects, qualify for this timely tax break.

Other great candidates include regional or national chains with multiple locations.

## Tax Breaks for Architects & Designers

Architects and designers who implement energy efficient designs on government buildings are also eligible for the deduction if their design meets the criteria.



## PARTIAL TAX DEDUCTIONS AVAILABLE FOR:

LIGHTING



\$.30 TO .60 / SF

HVAC



\$.60 / SF

ENVELOPE



\$.60 / SF

## The Process

The basis for developing and supporting this deduction is a detailed engineering analysis, as prescribed by the IRS. Our multi-disciplinary team of engineers and tax experts will ensure that you obtain the maximum deductions available, following IRS guidance.

In addition to performing energy simulation modeling or lighting power density calculations, our studies meet all 9 requirements of the tax code and include a written energy reduction plan, bi-level switching compliance, certification, and inspection documents.

## Get Started Today - for FREE

KBKG offers a complimentary feasibility assessment that will illustrate how you can benefit from this deduction. To find out more or to get started on a feasibility assessment, contact us today.