



§179D: ENERGY-EFFICIENT TAX DEDUCTIONS

WHO?

Eligible commercial building owners can take a federal tax deduction of up to \$1.80/sq.ft.* for energy-efficient buildings placed in service during an open tax year (typically a three-year window).

*This amount will be adjusted for inflation beginning in 2021

WHAT?



Office



Apartments/dormitories
(at least 4 stories in height)



Retail



Hotels



Parking garages
(lighting component only)



Industrial/
warehouse

WHO ELSE?

Certain building designers may be eligible to receive a deduction on government projects, such as schools, libraries, airports and municipal buildings.



WHEN?

On December 27, 2020, the Consolidated Appropriations Act was signed into law, making certain tax credits and incentives permanent that had previously required extension on an annual basis. Among the incentives made permanent was the 179D deduction.

HOW?

Building components must meet certain energy efficiency standards.



§45L: ENERGY-EFFICIENT HOME CREDIT

EXTENDED THROUGH DECEMBER 31, 2021

WHAT?

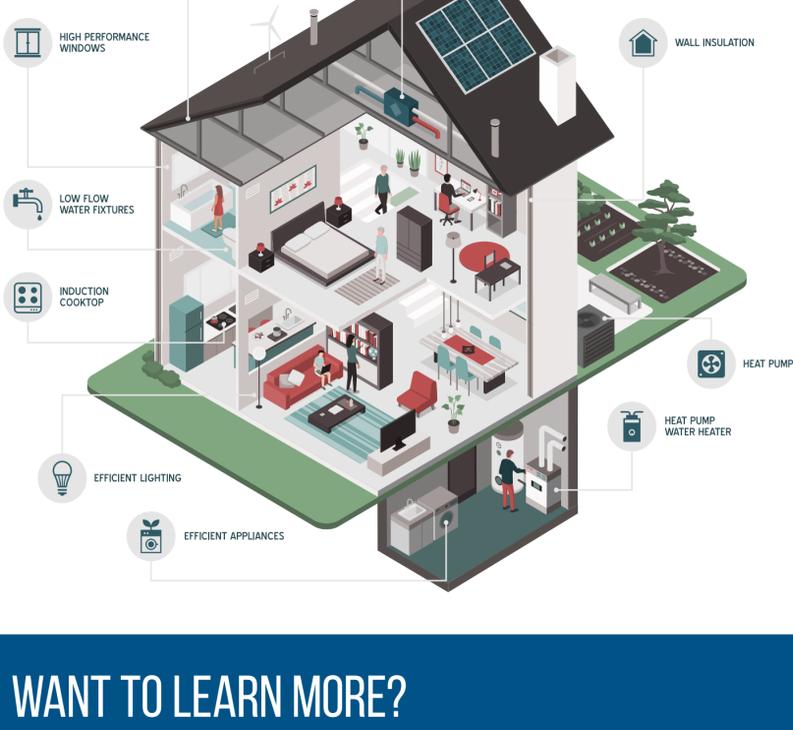
Eligible owners of energy-efficient homes or apartments can take a federal tax credit of \$2,000 for each qualifying energy-efficient dwelling unit. The heating, venting and air conditioning system and the building envelope must meet certain energy-efficient standards. Properties must be no more than three stories above grade.

WHO?

Whomever owns the property at the time of the improvement is eligible for the credit. An owner/developer of a multi-family apartment building would be eligible, or a builder of single-family homes that completes construction prior to selling/renting the homes. An owner/developer of a 50-unit apartment complex may be eligible for a credit of up to \$100,000 (50 units X \$2,000 per unit).

HOW?

Building components must meet certain energy-efficiency standards.



WANT TO LEARN MORE?

To claim either 179D or 45L, owners must meet the IRS requirement to have an independent third party analyze the energy-efficiency of the building and certify that the building has met the appropriate standards.

CSH has an efficient process to quickly analyze and estimate the potential value of each of these incentives. If you would like to learn more about these green-energy tax incentives and whether your building qualifies, please contact:



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