



**Federal Tax Credits Available
In 2009
For Windows, Doors And Skylights**

In accordance with the Emergency Economic Stabilization Act of 2008, homeowners may qualify for a federal tax credit of up to \$500 in 2009 for purchases of Energy Star windows and doors.

Highlights:

- The Energy Star windows/doors must be installed between Jan 1- Dec 31, 2009 in the principal residence of the taxpayer;
- The qualifying tax credit is equal to:
 - 1) For windows, skylights and storm windows: 10% of the cost of the merchandise, up to a maximum credit of \$200;
 - 2) For exterior doors and storm doors: 10% of the cost of the merchandise, up to a maximum credit of \$500.
- Unlike a tax deduction, which only reduces a percentage of the amount of tax owed, a tax credit directly reduces the tax itself, dollar for dollar;
- Installation costs may not be included in calculating the tax credit;
- These tax credits do not apply to new home construction.

The maximum amount of federal tax credits for all improvements combined (including windows, skylights, doors, roofing, insulation, HVAC and water heaters) is \$500 during the three-year period (2006, 2007, and 2009) of the tax credit.

Documentation:

- To claim the tax credit, the homeowner should:
 - 1) Fill out IRS Form 5695, "Residential Energy Credits" for 2009, and file it with the 2009 federal tax return (form 1040);
 - 2) Save, but do not include when filing the tax return, the following:
 - a) Purchase receipts for the merchandise;
 - b) All Energy Star/NFRC labels for the windows, skylights, and/or exterior doors and storm doors. In lieu of these labels, obtain the Manufacturer's Certification Statement, (which is generally available on the manufacturer's website) which certifies that the product is eligible for the tax credit.
- Further information regarding the tax credits and downloadable IRS Forms are available at www.energystar.gov.

The above information is provided as a guideline only. Consult your tax advisor for information regarding how the tax credits may apply to your specific situation.