

## **Facts about the 2011 Federal Tax Credit for Windows, Exterior Doors and Skylights**

In the “Tax Relief, Unemployment Insurance Reauthorization and Job Creation Act” (H.R. 4853) signed into law on December 17, 2010, Congress reduced the federal tax credit for energy-efficient windows, doors and skylights for 2011 and changed the qualifying criteria. Below is a summary of the new credit.

**Qualifying Products:** All ENERGY STAR® qualified windows, skylights and exterior doors are eligible. Products must be installed in a consumer’s existing primary residence; new construction is not eligible.

**Credit Amount:** Consumers can claim a credit of 10% up to \$200 of the purchase price of qualifying windows and skylights and 10% up to \$500 for qualifying exterior doors. Installation costs are not included.

**Lifetime Cap:** There is now a lifetime limit of \$500 (\$200 for windows/skylights) in total credits that a homeowner can claim from Jan 1, 2006 to Dec. 31, 2011. It is not on top of the \$1,500 limit in 2009-2010. So if they have already reached or exceeded the \$500 limit, they are no longer eligible to claim the credit in 2011. The \$500 aggregate lifetime limit is for any combination of all tax credit qualifying products (HVAC, insulation, roofing, etc), not just windows, doors and skylights. If they have claimed less than \$500, they can claim the difference up to the \$200 cap for windows and skylights and \$500 for exterior doors.

**Duration:** The revised tax credit is in effect for products installed in a consumer’s primary residence between January 1 and December 31, 2011.

**Additional Information:** The government is expected to post additional information at [www.energystar.gov](http://www.energystar.gov). The IRS is expected to post official guidance at [www.irs.gov](http://www.irs.gov) in early 2011. Circumstances vary widely, so consumers should consult with their tax adviser for further guidance.