

## 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.