

# Insulation Tax Credit: Up to \$1500

## Federal Tax Credits Available for Adding Insulation to Existing Homes

### What is the energy efficiency tax credit worth?

Homeowners are eligible for a tax credit of up to \$1,500 for 30% of the costs of qualified energy efficiency improvements made to their homes.

So, if a homeowner spends \$800 to add proper levels of insulation to their home, they could qualify for a Federal tax credit of \$240.

### Which areas of my home should I insulate to be eligible for the tax credit?

The tax credit applies only to improvements made to the building envelope because they affect energy use.

The envelope is defined as the area along the perimeter of the home that separates the living space from the outside. This includes your attic, foundation and exterior walls, basement, and crawl space.

## Program Criteria

1. Must be placed in service from January 1, 2009 through December 31, 2010.
2. Must be the taxpayers principal residence
3. \$1,500 is the maximum total amount that can be claimed for all products placed in service in 2009 and 2010 for most home improvements, EXCEPT for geothermal heat pumps, solar water heaters, solar panels, fuel cells, and wind mills, which are not subject to the cap and are in effect through 2016.
4. Must have a Manufacturer Certificate Statement to qualify:
  - **Icynene's Manufacturer Statement** is available at: <http://www.icynene.com/assets/documents/pdfs/Energy-Act-Tax-Certificate.pdf>
  - **Certainteed's Manufacturer Statement** is available at: [http://www.certainteed.com/resources/880030402\\_30-29-105\\_CTCertificationStatement.pdf](http://www.certainteed.com/resources/880030402_30-29-105_CTCertificationStatement.pdf)
5. For record keeping, save your receipts and the Manufacture Certificate Statement.
6. Improvements made in 2009 will be claimed on your 2009 taxes (filed by April 15, 2010) Use IRS Tax Form 5695.
  - <http://www.irs.gov/pub/irs-pdf/f5695.pdf>
7. If you are building a new home, you can qualify for the tax credit for geothermal heat pumps, photovoltaics, solar water heaters, small wind mill systems, and fuel cells, but not for the tax credit for windows, doors, insulation, roofs, HVAC, or non solar water heaters.



For more information please visit:  
[http://www.energystar.gov/index.cfm?c=tax\\_credits.tx\\_index](http://www.energystar.gov/index.cfm?c=tax_credits.tx_index)