

SECTION 179D TAX DEDUCTION

The Section 179D tax deduction is a lucrative federal tax incentive available to companies who are designing, constructing, and installing energy-efficient systems into commercial buildings.

Section 179D is eligible for three energy-efficient systems: interior lighting, HVAC (heating, cooling, and ventilation) and hot water, and building envelope.

- For properties placed into service in 2020 or prior, a tax deduction of up to \$1.80 per square foot is available for a project that results in a 50% or greater energy savings as compared to a baseline standard.
- For properties completed in 2021 or 2022, inflation adjustments are made which increases the maximum dollar per square foot.
- Thanks to the Inflation Reduction Act, properties placed into service after 2022 can achieve up to \$5.00 per square foot.

WHO QUALIFIES FOR THIS INCENTIVE?

- Commercial building owners who newly construct or renovate a building.
- A/E/C industry companies who design or construct government or non-profit buildings.
 - Architects
 - Energy Service Providers
 - Construction Managers
 - Engineers
 - Contractors (general, mechanical, electrical, glazing, etc.)

CONTACT US FOR ASSISTANCE

The Section 179D Tax Deduction provides a compelling savings opportunity which companies can not afford to miss. Now is the time to partner with a company that has the expertise in this specialty incentive.

If you have questions about the information outlined above or need assistance with another tax or accounting issue, please contact us using the link below.