

2011 Federal Tax Credit Program for Qualifying Residential Indoor Comfort Systems

The Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 provides for federal tax credits on qualifying, high-efficiency residential heating and cooling products and systems (HVAC) through December 31, 2011.

This program is similar to, but different from, the federal tax credits that were in effect during 2009 and 2010.

- The maximum amount an eligible homeowner may receive in federal tax credits for purchasing and installing qualifying products, whether those purchases are in the form of upgraded insulation, windows, HVAC equipment or other eligible improvements, is now 10% of the cost of the improvement, including installation costs, up to \$500 (with maximum per-category amounts listed below).
- The \$500 tax credit amount is reduced by the total amount of residential energy property credits a homeowner has claimed for purchases between 2006 and 2010. If a residential homeowner has already claimed single-family home tax credits of \$500 or more from improvements made prior to 2011, he or she cannot claim any new tax credits during 2011.
- All furnaces and boilers, whether fueled by natural gas, propane or fuel oil, must have an AFUE rating of 95% or higher to be eligible for the 2011 federal tax credit program.
- Products or units must be installed between January 1, 2011, and December 31, 2011, to be eligible for tax credits.

Maximum Available Tax Credit	Product Type	Efficiency Requirements
\$50	Any advanced main air circulating fan	Electricity consumption of no more than 2% of the total energy use of the furnace Tax Certificate
\$150	Natural gas, propane, oil furnaces or boilers	95% AFUE rating — Tax Certificate
\$300	Split-system air conditioners	16 SEER / 13 EER — Tax Certificate
\$300	Split-system heat pumps	15 SEER / 12.5 EER / 8.5 HSPF — Tax Certificate
\$300	Packaged air conditioners	14 SEER / 12 EER
\$300	Packaged heat pumps	14 SEER / 12 EER / 8 HSPF
\$300	Packaged gas/electric units	14 SEER / 12 EER

This information is provided for discussion purposes only and is provided as a generic guideline. No consideration should be taken that this information represents tax advice. Contact your local tax professional to determine how these credits may apply to your circumstances and visit www.energy.gov/taxbreaks for more information.