

Inflation Reduction Act Expands Building Owner Tax Benefits

The Inflation Reduction Act (IRA) increases the amount of tax deductions available for commercial and residential building owners installing energy efficient equipment. The maximum amount available through the 179D tax deduction is \$5.00 per square foot. The 179D deduction is permanent and can be utilized for installations completed since January 1, 2006.

COMMON BUILDING TYPES ELIGIBLE FOR THE 179D DEDUCTION



Commercial

- » Office
- » Retail
- » Hotel and Motel



Industrial

- » Warehouse
- » Manufacturing



Healthcare



Multifamily Residential

TAX DEDUCTION PROJECT PROCESS

Step 1: Collect lighting, HVAC and building envelope data (plans and existing equipment specifications).

Step 2: Outline proposed building improvements.

Step 3: Contact Energy Tax Savers for 179D estimate and energy model.

Step 4: Confirm whether local installers meet prevailing wage and apprenticeship requirements.

Step 5: Submit 179D report and forms to tax preparer for filing.

Take advantage of the Inflation Reduction Act tax deduction on your next project. Contact us if you have questions or need advice on where to start.

Energy Tax Savers: Raymond Kumar
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Building Square Footage	Maximum 179D Deduction
20,000	\$100,000
50,000	\$250,000
100,000	\$500,000
500,000	\$2,500,000
1,000,000	\$500,000