



REDUCE YOUR FEDERAL INCOME TAX WITH **ENERGY SAVING** HOME IMPROVEMENTS

by **DAVID SPITZBERG**

Your tax bill can be cut by 30 percent of costs paid or incurred to modify your primary residence, limited to a total of \$1,500. Items to consider include:

1. Insulation
2. Exterior windows and doors (including storm windows, storm doors and skylights)
3. Metal or asphalt roofs
4. Central air conditioners
5. Electric heat pumps
6. Electric heat pump water heaters
7. Water heaters using natural gas, oil or propane
8. Natural gas, oil or propane furnaces (and related advanced main air circulating fans) and hot water boilers

In some cases, the \$1,500 limitation and primary residence requirement do not apply. Examples of property include equipment that utilizes:

1. Solar energy to produce electricity
2. Solar energy to heat water (but not for a swimming pool or hot tub)
3. A wind turbine to create electricity

Don't just consider Federal standards. For example, you won't want to miss out on any state incentives. If you don't owe enough income tax to fully utilize the Federal Credits, ask your tax preparer about the possibility of carrying forward the unused portion to a future year. Internal Revenue Service Form 5695 is available at www.irs.gov for more guidance.

David M. Spitzberg has been seen and heard on various Philadelphia media outlets where he has been called upon to provide tax expertise. Mr. Spitzberg has been quoted or referenced in numerous national publications and online journals. He has been listed among "The 100 Most Influential CPAs," "Top 40 Advisors to Know During a Recession," The 10 "Most Influential CPAs" in the area of Tax and has been Nominated among the "Top 50 IRS Representation Practitioners" by CPA Magazine. He may be reached at David.Spitzberg@CPAforBusiness.com or David.Spitzberg@CPAforSolar.com.

