



## **LAST CHANCE TO TAKE ENERGY CREDIT FOR HOME IMPROVEMENTS!**

**DEADLINE: DECEMBER 31, 2010**

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Great news! You may be able to take a tax credit on your 2010 Form 1040 for up to 30% of the cost of certain residential home improvements. The maximum credit available is \$1,500, on expenditures made in 2009 and 2010 combined. If you have not already taken advantage of the entire \$1,500 credit on your 2009 Form 1040, you still have until December 31, 2010 to make needed improvements to your home.

If you are making an improvement specifically to benefit from this credit, be sure to read the manufacturer's certification to ensure that their product qualifies for the tax credit before you purchase the materials. If you are concerned that the item meets the necessary criteria, please consult with Salmon Sims Thomas before you make this cash outlay.

### **Qualifying Improvements**

- Improvements must be made to your primary residence within the United States.
- Improvement must be purchased new (first use), and expected to last for at least 5 years.
- Insulation material or system must be specifically designed to reduce heat loss or gain when installed in your home.

### **Improvements specifically include the following:**

- Energy-efficient exterior windows and skylights.
- Energy-efficient exterior doors (some storm doors do qualify).
- Certain electric heat pump water heaters; electric heat pumps; central air conditioners; natural gas, propane, or oil water heaters; and stoves that use biomass fuel.
- Qualified natural gas propane, or oil furnaces; and qualified natural gas, propane, or oil hot water boilers.
- Certain advanced main air circulating fans used in natural gas, propane, or oil furnaces.
- Any metal roof with appropriate pigmented coatings, or asphalt roof with appropriate cooling granules, specifically designed to reduce heat gain in your home, and which meets or exceeds the energy Star program requirements in effect at the time of installation.

### **Documentation to Retain**

The manufacturer of the product must provide you with a written statement (for example, on the product packaging, or from their website) certifying that their product meets the energy credit standards.

In addition, you must retain the invoice detailing what was purchased so that your tax accountant may properly prepare the related tax credit form.

If you have any questions regarding these or other tax issues, don't hesitate to contact one of our tax specialists listed below to arrange a consultation regarding these tax planning opportunities.