



§45L Energy Efficient Tax Credit

Quick Facts

The §45L tax credit, which is only available to eligible contractors, is potentially worth up to \$2,000 for each qualified new energy efficient unit acquired for use as a residence from an eligible contractor after December 31, 2005, and before January 1, 2022. The specific criteria are:

Be an eligible contractor who owns a multi-family or senior-living dwelling

The building must have a minimum of 50 units but be three stories or less.

The dwelling must be certified to have a level of heating and cooling energy consumption at least 50% below that of a reference unit.

If you believe your building qualifies, it must be inspected by an eligible certifier. If the building passes, the certifier will provide you with the official certification to be kept on file. You may then apply the tax credit.

For example: A three-story, 120-unit, multi-family project, fully leased in the current tax year, and 100% of the units qualify for the credit would have a tax credit of \$240,000 (\$2,000 x 120 units).

The credit is only eligible for tax returns from 2017 to 2021. However, you may go back and amend returns from 2017 to present if you have a building that is eligible.

Scarpello Consulting employs eligible §45L certifiers, so call us today to get started.



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ScarpelloConsulting.com • 877.410.5040

Launched in 2001, Scarpello Consulting provides cost segregation services that allow clients to maximize their depreciation deductions while minimizing audit risk. The firm works with Fortune 500 companies and some of the largest national CPA firms through their multiple offices in Omaha, NE, Overland Park, KS, Sarasota, FL, and Denver, CO.