



## **Memo: Energy Savings Reduction (179(d))**

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A federal tax deduction of up to 1.80 per square foot is available to owners of commercial buildings.

The building must save at least 50% of the heating and cooling energy and power costs and must meet the American Society of Heating Refrigeration and Air Conditioning Engineers Standards (90.1-2001).

Partial deductions are also available up to .60 cents per square foot for measures that meet standards or energy saving standards established by the IRS in the following building systems:

- Building Envelope
- Lighting
- Heating and cooling systems

This deduction applies for systems placed in service after January 1, 2006 through December 31, 2013.