



# 179D for Commercial Building Owners

## WHAT IS THE 179D TAX DEDUCTION?

The 2005 Energy Policy Act created Section 179D, which allows property owners and/or designers a significant federal tax deduction for the costs of installing energy efficient lighting, HVAC, and/or building envelope systems in commercial buildings. The 179D tax deduction offers up to \$1.80 per square foot for improving the energy efficiency of existing commercial buildings or designing efficient new buildings.

## WHICH PROPERTIES QUALIFY?

Potentially any building constructed since 2006. Additionally, LEED certified buildings almost always qualify. Qualifying properties must reduce its energy use by 50% as compared to a reference building using ASHRAE 90.1 - 2001. The property must also have been placed in service between January 1st, 2006 to the present.

## WHICH SYSTEMS QUALIFY?



ENVELOPE



LIGHTING



HVAC

## WHO CAN PERFORM THE STUDY?

A free feasibility study is performed on the taxpayer's building, and systems that will most likely qualify will be identified. A proposal is provided and if accepted, our assigned team will commence work by requesting any additional data and scheduling a site visit. Our engineers will then use energy modeling software to compare the taxpayer's building to a reference building that meets ASHRAE 90.1- 2001 standards to determine the percentage reduction in the total annual energy consumption, with respect to combined usage of a building's HVAC, lighting and hot water systems, Finally, we will compile a final report that outlines our findings and conclusions.

## WHY NATIONAL TAX GROUP?

National Tax Group follows all IRS guidelines for performing the 179D tax deduction. We use eQuest software, which has performed engineering services for millions of SF of taxpayers building space.

"National Tax Group completed our report in 4 weeks, providing us a tax deduction of \$237,000. I would recommend them to anyone."

**Doug Blair**  
Bassetti Architects

## DID YOU KNOW

Your government projects may be eligible for IRS section 179D, which is significant tax savings related to new construction, expansions or renovations to your projects. Many architects and designers are surprised to discover the potential windfall this tax savings opportunity represents.

## QUALIFYING SYSTEMS COMPONENTS & PRICE

ENVELOPE	\$.60/sq. ft.
LIGHTING	\$.60/sq. ft.
HVAC	\$.60/sq. ft.
<b>TOTAL</b>	<b>\$1.80/sq. ft.</b>