

Federal Energy Tax Credit and Other Benefits of Energy Efficient Windows

by John O'Brien

If ever there was a good time to take advantage of a federal energy tax credit with energy efficient windows, this is the time to do it.

Not only will Uncle Sam reward you with an energy savings tax credit up to \$1,500 but you also may qualify for an additional \$500 rebate from participating energy companies. If you live in the Boston area or other Northern climate, you will appreciate how much energy efficient windows can save you on your heating bill. Energy Star windows, doors and skylights that qualify for this tax credit have been proven to reduce energy bills by an average of 7-24 per cent. This means that if you were replacing single pane windows, annual energy savings for an average home would be \$126 to \$465 and would approximate \$27 to \$111 when replacing double-pane clear glass windows.

Qualifications for federal energy tax credits ...

Not all energy efficient windows qualify for this federal energy tax credit. In fact, not all Energy Star rated products qualify. Of the ENERGY STAR windows, doors and skylights that meet the requirements, energy efficient windows and doors must have a U-Factor rating and Solar Heat Gain Coefficient equivalent to or less than .30. They also must be installed no later than December 31, 2010. The federal energy tax credit applies to the cost of the windows and doors only. Installation costs are not included in this program.

The federal energy tax credit applies to a homeowner's principal residence only and not all homeowners are guaranteed to qualify. It is suggested that you see your tax representative for details on reliability. If you do qualify, your tax savings from the federal energy tax credit for energy efficient windows and doors can reduce your tax liability dollar-for-dollar up to \$1,500. Those who purchase \$5,000 of qualifying windows, doors and skylights, receive the maximum tax credit of \$1,500. This amount is then subtracted from your tax liability or the amount of tax that is owed or added to a tax refund.

Additional savings from participating energy companies ...

During the 2009 calendar year, certain utilities rewarded homeowners with additional rebates for energy efficient replacement windows for their existing primary residence. The eligibility was based on the window U-factor and applied to homeowners who were residential customers of a participating utility. It is quite likely that such programs will be continued during the 2010 calendar year.

More reasons to consider energy replacement windows and doors ...

If you're not excited enough about energy savings tax programs and saving on your energy bills, consider the comfort factor when you upgrade your windows and doors. Those of you in Boston MA know precisely how unpleasant it is when cold air penetrates windows and doors and leaves you feeling chilled to your bones. Even layers of clothing and use of a portable space heater fail to surround you with warmth and comfort during cold drafty weather. Replacing your windows and doors with energy efficient products can however, do the job quite nicely as they keep you feeling warm and comfortable and without being bundled up like an Eskimo.

Need more reasons to change those old drafty windows and doors? Energy efficient windows, doors and skylights will significantly add to the beauty of your home's exterior and interior. They are easy to clean and maintain. And when it comes time to sell, your home will be more attractive to buyers. This can produce quicker and easier sales and a higher selling price.

Proper installation is key to your energy savings with energy efficient replacement windows.

Not all contractors are alike and many are not specialists as window installers. A lack of proficiency can mean that you eliminated every bit of your energy savings and comfort value from replacing your windows. Don't let this happen to you. Make sure you choose a contractor who is a specialist in installing energy efficient windows. Rather than buy from the local home improvement store, choose to work with a company that has expert installers and a reputation for excellent, honest, dependable and reliable customer service backed by a guarantee. This doesn't necessarily mean you will need to pay top dollar either. In fact, if you look carefully in the Boston MA area, you will find at least one exceptional specialist contractor who will save you money, provide you with products that will qualify for energy tax credits and assure installation that will keep you snug and warm in your home all winter long.

About the Author

John O'Brien of MASTERCRAFT is a licensed and insured contractor / Installer in the Greater Boston and the South Shore, Massachusetts area since 1986, providing roofing, siding, windows, bathroom remodeling and trim services. Learn more at www.mastercraftnewengland.com or call: 781-829-2222 781-829-2222.