



179D energy

efficient

tax deduction

Construction and Real Estate

Don't miss this savings opportunity

Under the Energy Policy Act of 2005, you may qualify for the 179D energy efficient tax deduction on construction or capital improvement cost designed to increase a building's energy efficiency.

Wipfli professionals work with you to secure the maximum dollars allowed by law, increase your cash flow and defer or reduce your tax liability. Consider these benefits:

- You could gain a maximum deduction of \$1.80 per square foot when energy and power costs are reduced by 50%.
- If those costs are reduced by less than 50%, you may be entitled to a deduction of \$.60 to \$1.25 per square foot.
- If the property is government-owned, the architects, engineers or contractors may be assigned the tax deduction, despite not having made the capital expenditure.

Use our qualified, experienced team to
maximize your savings.

As a property owner, you must take specific steps to both qualify and certify your eligibility for the deduction. Clients turn to Wipfli because our professionals have the knowledge and experience to navigate these special financial incentives. Our team brings over 80 years of combined experience, with skills in engineering, construction and tax.

Let's get started

Wipfli offers a complimentary preliminary analysis to determine whether your building qualifies for the Section 179D tax deduction. Contact us to get started.

wipfli.com/section179D

WIPFLI

Secure your tax savings with our turnkey service

Wipfli's construction and real estate team specializes in engineering-based cost segregation studies and energy efficiency tax studies. We are qualified to conduct the IRS-mandated independent tax study of your building or sub-systems. And we provide the required certification and IRS documentation you need.

Do you qualify for the 179D energy efficient tax deduction? We've put together all the details below:

Public vs. private buildings	Private/commercial (residential must be 4+ stories)	Public school/federal, state, local government/municipality/military
Who benefits?	Building owner or tenant (<i>owner of installed assets</i>)	Primary designer/contractor/engineer/lighting designer/architect
Energy-efficient project types	Lighting/HVAC/building envelope/whole buildings (<i>solar and geothermal may qualify</i>)	Lighting/HVAC/building envelope/ whole buildings (<i>solar and geothermal may qualify</i>)
Construction types	Retrofit/remodel/new construction	Retrofit/remodel/new construction
Deduction amount	\$.60 - \$1.80 per square foot (\$60,000 - \$180,000 <i>per 100,000 square feet</i>)	\$.60 - \$1.80 per square foot (\$60,000 - \$180,000 <i>per 100,000 square feet</i>)
Deduction cap	Capitalized cost of energy efficient property or \$.60 - \$1.80 per square foot (<i>whichever is less</i>)	Capitalized cost of energy efficient property or \$.60 - \$1.80 per square foot (<i>whichever is less</i>)
Square footage	No minimum, but 30,000+ works best	No minimum, but 30,000+ works best
Project completion deadlines	January 1, 2006 - December 31, 2020 (<i>may be extended past 2020</i>)	Open tax years - December 31, 2020 (<i>may be extended past 2020</i>)
IRS required third-party certification (this is what we do!)	To claim the deduction, the following are required: <ul style="list-style-type: none"> Third-party inspection, verification and certification in accordance with §179D of the Internal Revenue Code Energy modeling with DOE-approved software 	To claim the deduction, the following are required: <ul style="list-style-type: none"> Third-party inspection, verification and certification in accordance with §179D of the Internal Revenue Code Energy modeling with DOE-approved software Allocation letter