

2020 Tax Extenders For Energy Production, Efficiency, Green Jobs

ENERGY PRODUCTION, EFFICIENCY, GREEN ECONOMY JOBS

12-20-19 Extender Provisions

Below is a summary of the most significant tax extender provisions for energy production, efficiency and green economy jobs included in the Consolidated Appropriations Act:

NONBUSINESS ENERGY PROPERTY CREDIT RETROACTIVELY EXTENDED THROUGH DEC. 31, 2020

An individual is allowed as a credit against tax for the taxable year an amount equal to the sum of 10% of the amount paid or incurred for qualified energy efficiency improvements installed during such taxable year, and the amount of the residential energy property expenditures paid or incurred by the taxpayer during such taxable year. The credit allowed cannot exceed the excess (if any) of \$500 over the aggregate credits allowed for all prior taxable years ending after Dec. 31, 2005.

Amended return. The nonbusiness energy property credit had expired Dec. 31, 2017. The expiration is now Dec. 31, 2020. If you installed energy property, check to see if an amended return should be filed.

2-WHEELED PLUG-IN ELECTRIC VEHICLE CREDIT RETROACTIVELY EXTENDED THROUGH DEC. 31, 2020

In the case of a qualified 2- or 3-wheeled plug-in electric vehicle, there is allowed as a credit against tax for the taxable year an amount equal to the sum of the applicable amount with respect to each such qualified 2- or 3-wheeled plug-in electric vehicle placed in service by the taxpayer during the taxable year, and the amount of the credit allowed. The applicable amount is the lesser of 10% of the cost of the qualified 2- or 3-wheeled plug-in electric vehicle, or \$2,500.

Amended return. The 2- or 3-wheeled plug-in electric vehicle credit had expired Dec. 31, 2017. The expiration is now Dec. 31, 2020. If you purchased a 2- or 3-wheeled plug-in electric vehicle, check to see if an amended return should be filed.

ENERGY EFFICIENT HOMES CREDIT FOR CONTRACTORS RETROACTIVELY EXTENDED

In the case of an eligible contractor, the new energy efficient home credit for the taxable year is the applicable amount for each qualified new energy efficient home which is constructed by the eligible contractor, and acquired by a person from such eligible contractor for use as a residence during the taxable year. The applicable amount in the case of a dwelling unit is \$2,000, and for a manufactured home is \$1,000.

Amended return. The energy efficient homes credit for contractors had expired Dec. 31, 2017. The expiration is now Dec. 31, 2020. If you build homes, check to see if an amended return should be filed.

ENERGY EFFICIENT COMMERCIAL BUILDINGS DEDUCTION RETROACTIVELY EXTENDED

There is allowed as a deduction an amount equal to the cost of energy efficient commercial building property placed in service during the taxable year. The deduction with respect to any building for any taxable year may not exceed the excess (if any) of the product of \$1.80, and the square footage of the building, over the aggregate amount of the deductions with respect to the building for all prior taxable years.

Amended return. The energy efficient commercial buildings deduction had expired Dec. 31, 2017. The expiration is now Dec. 31, 2020. If you made energy efficient improvements to your commercial building, check to see if an amended return should be filed.

CONTACT US

Many events can affect your tax situation. With proper planning you can avoid negative tax effects. Please contact us in advance if you experience the following:

- Pension or IRA distributions.
- Sale or purchase of a residence or other real estate.
- Significant change in income or deductions.
- Retirement.
- Job change.
- Notice from IRS or other revenue department.
- Marriage.
- Divorce or separation.
- Attainment of age 59 ½ or 70 ½.
- Self-employment.
- Sale or purchase of a business.
- Charitable contributions of property in excess of \$5,000