



### 45L Tax Credit

The 45L Tax Credit is a tax credit of up to \$2,000 per dwelling unit for the development of energy efficient homes. In late 2015 Congress extended this tax credit through the end of 2016. Developers of low rise apartments, condominiums and single family homes may be eligible for the 45L Tax Credit. The tax credit must be claimed in the year the unit is occupied - meaning apartments that are leased in 2016 are now eligible.

In order to qualify, the properties must be low rise residential. This is defined as three stories or less. Apartments over three stories are not be eligible. Additionally, the dwelling unit must be at least 50 percent more energy efficient than a similarly constructed unit, in accordance with the 2006 International Energy Conservation Code. And at least 10 percent of the energy savings must come from the building envelope. To claim the credit an engineer must analyze each unit for energy consumption and certify that its performance meets the energy standard.

McGuire Sponsel can help clients navigate this complex tax credit or analyze your properties in advance to see if they qualify at no cost or obligation to the developer. If you have any questions or would like to discuss further, please contact McGuire Sponsel.



**The 45L Tax Credit  
benefits clients that  
develop energy  
efficient homes.**

- David McGuire  
Director  
McGuire Sponsel

