




EPAct 179D

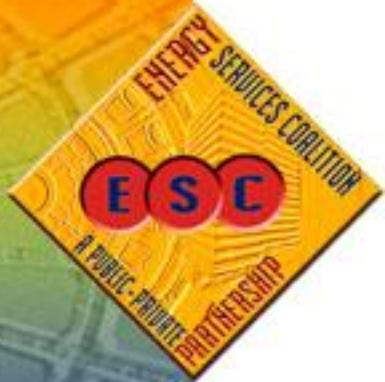


WHAT IS IT? WHY IS IT IMPORTANT?



About Us

BLUE
ENERGY GROUP



- **Licensed Engineering Firm** based in Louisville, Kentucky.
- **Clients** include private building owners, architectural firms, engineering firms, contractors, and ESCOs.
- **Specialize** in commercial building engineering studies.
- **Provide** certifications for 179D tax deduction, cost segregation, asset disposition, and utility rebates.
- **Active member** of ESC, NAESCO, AIA, NSPE, ASHRAE, USGBC, and A4LE.

Objectives



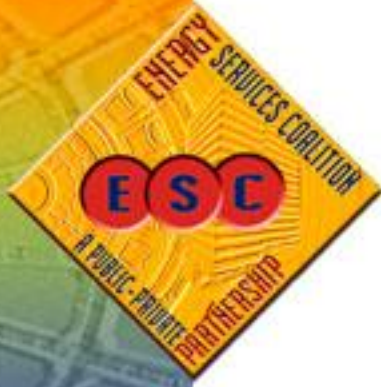
- What is the 179D tax deduction (EPAct)?
- Why is it important to ESC members (both public and private)?
- Current state of play of 179D legislation?
- How can we support 179D legislation?

What is 179D?



- Federal tax deduction for commercial building energy efficiency
- Created in EPA Act of 2005
- Originally for private building owners to accelerate depreciation
- Expanded in 2008 to include designers of public buildings
- New buildings and retrofits

Why Is It Important to Us?



- In the public building sector, 179D exists to encourage designers to incorporate more energy efficiency than building code dictates.
- Public benefit – lower energy bills, lower maintenance costs
- Designer benefit – federal tax deductions
- Currently expires December 31, 2016

State of Play



- Proponents of 179D want multi-year extension and expansion to non-profits and tribal governments.
- Heightened uncertainty due to Presidential election year and House and Ways Committee Chairman Brady (R-TX) pushing tax reform and an end to tax extenders.
- Cong. Reichert (R-WA) and Cong. Blumenauer (D-OR) are preparing to introduce legislation to address miscellaneous tax issues including some energy issues and short-term 179D extension.
- Senator Cardin (D-MD) is preparing to introduce long-term 179D package and recently issued letter to HUD and Treasury concerning allocation letter “kickbacks.”

You Can Help



- Urge Congress to address 179D before year end – continue existing policy and expand it for non-profits and tribal governments.
- Key Members – Senate Finance Committee, House Ways and Means Committee, House/Senate Leadership
- Encourage Cong. Reichert, Cong. Blumenauer, and Senator Cardin
- Voice opinion on Senator Cardin Letter



Thank You

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