

The American Recovery and Reinvestment Act



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What Does It Mean?

On February 17, 2009, President Obama signed a stimulus bill (The American Recovery and Reinvestment Act of 2009) that made some significant changes to the energy efficiency tax credits.

- The tax credits that were previously effective for 2009, have been extended to 2010.
- The tax credit has been raised from 10% to 30%.
- The tax credits that were for a specific dollar amount have been converted to 30% of the cost.
- The maximum credit has been raised from \$500 to \$1500 (for 2009 and 2010).
- The \$200 cap on windows has been removed.

What Windows Qualify for the Tax Credit

| | |
|--------------------------------|------|
| U-Factor less than or equal to | 0.30 |
|--------------------------------|------|

AND

| | |
|----------------------------|------|
| SHGC less than or equal to | 0.30 |
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The U-Factor measures how well a product prevents heat from escaping.

The SHGC, or solar heat gain coefficient, is the fraction of incident solar heat admitted through a window.



*Not all ENERGY STAR labeled windows qualify for the tax credit

How to Qualify

Tax Credits for Consumers are now available for home improvements. To qualify homeowners must meet the following criteria:

1. Purchase and install qualifying Farley products between January 1, 2009 and December 31, 2010. The units must be "placed in service" for the taxpayers principal residence during this period to qualify.
2. Save a copy of the performance label for each windows (NFRC/ENERGY STAR label) or the Manufacturers Certification (located on our website at: <http://www.farleywindows.com>) and the purchase receipt in order to claim the tax credit for your 2009/2010 Federal tax year. These document will serve as proof to the IRS that the Farley Replacement Window you purchased qualifies for the energy tax credit. Note: The Tax credit can only be applied on the product, not on the installation cost.
3. Claim the tax credit on your federal filing for the 2009 or 2010 tax year.

PLEASE NOTE: Improvements made in 2009 will be claimed on your 2009 taxes (filed by April 15, 2010) — use IRS Tax Form 5695 (2009 version) — it will be available late 2009 or early 2010.

For more information, please visit the ENERGY STAR website: <http://www.energystar.gov/>

Please consult your tax advisor for more details on the eligible purchases.

Sources: U.S. Environmental Protection Agency on the U.S. Department of Energy
< <http://www.eere.energy.gov/> >

www.farleywindows.com