Residential energy tax credits to expire

COURTESY PHOTO

An home in Enterprise features solar panels that were recently installed. If you are considering adding rooftop solar panels to your home, an Oregon tax credit designed to help offset those costs is about to expire.

Deadline to purchase devices Dec. 31

By GEORGE PLAVEN
EO Media Group

Time is running out for homeowners and renters to claim tax credits from the Oregon Department of Energy for select energy efficiency devices.

The Residential Energy Tax Credit Program, established in 1977, offers tax credits for buying and installing eligible equipment such as rooftop solar panels, premium efficiency furnaces, direct vent fireplaces and ductless heat pumps. Credits range in value from less than $100 up to $6,000, depending on the cost and amount of energy saved.

The program is set to expire at the end of the 2017 tax season, with three key deadlines in the coming months:

• Dec. 31, 2017 — deadline for purchasing devices.

• April 1, 2018 — deadline for having device installed and operational.

• June 1, 2018 — deadline to submit application for credits to the Department of Energy.

For anyone installing rooftop solar panels, the deadline for contractors to submit an initial application to the Department of Energy is also Dec. 31, 2017.

Rachel Wray, spokeswoman for the Department of Energy, encouraged applicants to submit their paperwork as early as possible for processing.

"Basically, the team looks like an H&R Block office heading into April," Wray said.

Last year, department issued roughly $20 million in residential energy tax credits, Wray said. However, with the Legislature facing a budget deficit, lawmakers opted not to extend the program beyond 2017.

"It had a sunset," Wray said. "(These programs) aren't necessarily designed to last forever."

Michael Williams, energy incentives manager for the Department of Energy, said the program was created to support the adoption of energy efficient technologies at home — a far cheaper resource compared to building new power plants.

"Energy efficiency is the lowest cost, least risk energy resource in the area," Williams said.

The program issues on average between 15,000 and 16,000 credits per year. Credits can range from $92 for a heat recovery water heater, up to $6,000 for rooftop solar panels ($1,500 per year for four years). However, the amount of the credit cannot exceed 50 percent of the project cost, Williams said.

State Home Oil Weatherization Program

The State Home Oil Weatherization Program, or SHOW, is another resource available for homes and rental properties that are primarily heated by oil, propane, kerosene, butane or wood. The program offers cash rebates up to $500 for installing energy-saving heating equipment or weatherization improvements.

SHOW is not set to expire, but will transfer from the Department of Energy to the Department of Housing and Community Services beginning Jan. 1, 2018, dovetailing with the agency's work with housing assistance and low-income communities.

For questions about either program or to see a full list of eligible projects, visit www.oregon.gov/energy or contact the Department of Energy at 1-800-221-8035.