EPact 2005 Process Chart

Is the project placed in service in 2006 - 2008?
- NO → Stop
- YES ↓

Is the project installed in the United States or its territories?
- NO → Stop
- YES ↓

Is the project within the scope of ASHRAE/IES Standard 90.1-2001 new construction or renovation (including retrofits) for a commercial building (including public buildings and high-rise residential buildings)?
- NO → Stop
- YES ↓

PROJECT QUALIFIES FOR COMMERCIAL BUILDINGS DEDUCTION

Whole Building Approach

Reduce total annual energy and power costs to a minimum of 50% less than a building satisfying Standard 90.1-2001

For project costs related to interior lighting, HVAC/hot water and building envelope systems that are otherwise depreciable, owner can claim accelerated tax deduction equal to project costs, up to $1.80/sq. ft.

Partial Deduction Approach

Building Envelope

Reduce total annual energy and power costs for Building Envelope by the savings target.

For project costs related to an individual system that are otherwise depreciable, owner can claim accelerated tax deduction equal to project costs, up to $0.60/sq. ft.

HVAC / Hot Water

Reduce total annual energy and power costs for HVAC/Hot Water by the savings target.

For project costs related to an individual system that are otherwise depreciable, owner can claim accelerated tax deduction equal to project costs, up to $0.60/sq. ft.

Interior Lighting

SEE INTERIM LIGHTING RULES

Special partial allowance for interior lighting (effective until partial allowance savings targets defined); for project costs that are otherwise depreciable, owner can claim accelerated tax deduction equal to project costs up to $0.30-$0.60/sq. ft. ($0.60/sq. ft. for warehouse)

Is the building privately owned or publicly owned?

- If asset is privately owned, asset owner receives the benefit.
- If asset is publicly owned, primary designer receives the benefit.

Is the project begun during the period the Interim Lighting Rules are effective?
- NO → Stop
- YES ↓

Is the project installed in the United States or its territories?
- NO → Stop
- YES ↓

Is the project within the scope of ASHRAE/IES Standard 90.1-2001 new construction or renovation (including retrofits) for a commercial building (including public buildings and high-rise residential buildings)?
- NO → Stop
- YES ↓

Is the lighting system an interior lighting system?
- NO → Stop
- YES ↓

PROJECT SATISFIES INTERIM LIGHTING RULES FOR THE COMMERCIAL BUILDINGS DEDUCTION

Is the project a warehouse?

Reduce the lighting power density (LPD) to at least 50% below levels prescribed by Standard 90.1-2001 (using Building Area Method or Space-by-Space Method)

For project costs that are otherwise depreciable, owner can claim accelerated tax deduction equal to project costs, capped at $0.60/sq. ft.

Is the project a commercial building other than a warehouse?

Reduce the lighting power density (LPD) to at least 25-40% below levels prescribed by Standard 90.1-2001 (using Building Area Method or Space-by-Space Method)

For project costs that are otherwise depreciable, owner can claim accelerated tax deduction equal to project costs, capped at $0.30-$0.60/sq. ft. (proportional to reducing LPD levels by 25-40%)

- ☐ 1. Meet mandatory lighting controls provisions of Standard 90.1-2001
- ☐ 2. Install bi-level switching in all occupancies except hotel/motel guestrooms, store rooms, restrooms and public lobbies
- ☐ 3. Achieve minimum recommended light levels as published in the 9th Edition of the IES Handbook

Is the building privately owned or publicly owned?

- If asset is privately owned, asset owner receives the benefit.
- If asset is publicly owned, primary designer receives the benefit (rules defining this are not yet issued).

Project certification by a qualified, third party inspector.

Owner or designer claims deduction using standard tax forms.

HUBBELL®
HUBBELL LIGHTING, INC.