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[What Are Home-Improvement Tax Credits for Year 2010 and Beyond?](#)

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As winter approaches and the economic horizon remains volatile, saving on gas bill seems to be one of the ways to keep family warm and pockets not as empty. Toward this end, the government has, in fact, provided some incentives to save gas that would effectively put more money into pockets of consumers. Nonetheless, as with any other bureaucratic initiative, the devil is in the details. Let us further explore some of the details.

HOME IMPROVEMENT TAX CREDITS FOR 2010

1. EXPIRING TAX CREDITS: DEADLINE DECEMBER 31, 2010

Homeowners have until the end of December 2010 to take advantage of the [tax credits](#) government is offering.

2. LIST OF SOME OF THE HOME IMPROVEMENTS QUALIFIED FOR TAX CREDIT

- Energy-Efficient Furnaces
- Water Heaters
- Air-Conditioning Systems
- Insulated Roofs
- Insulated Windows
- Insulated Doors
- Wall and Ceiling Insulation

For a complete list visit [HERE](#).

3. SOME OF THE DETAILS

A. ARE INSTALLATION COST OF QUALIFIED HOME IMPROVEMENTS COVERED?

One of the important questions is whether the cost of such qualified home improvements are also considered tax credits. The answer is not as straightforward as it seems. In fact, installation cost of heating and air conditioning systems, water heaters and biomass stoves are covered in the expiring tax credits. However, installation cost of new windows, roofs, doors and their insulation are not covered by such tax credits.

B. WHAT IS THE AMOUNT OF TAX CREDITS?

Such tax credits cover 30% of the purchase costs of qualified home improvement OR \$1,500. This means the maximum tax credit is \$1,500.

D. WHAT IS COVERED BY SUCH TAX CREDITS? PRIMARY RESIDENCE, ONLY

Only, you can claim such tax credits if the residence is your PRIMARY RESIDENCE. Rentals, vacation homes and new construction are not eligible.

C. WHAT IS MOST EXPEDITIOUS HOME IMPROVEMENT WORK CHALLENGE

The challenge is to ensure all the work is done and in operation by December 31, 2010. You could just replace your furnace or boiler if 10 years or older.

3. SOLAR PANELS AND WIND TURBINES TAX CREDITS ARE FAR MORE GENEROUS

- Federal Tax Credits on Solar Panels Do Not Expire Until 2016.
- Federal Tax Credits Cover 30% of BOTH Purchase and Installation with NO Upper Limit.
- Federal Tax Credits Cover Primary Residence, Rental, New Construction and Vacation Homes.

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