Sustainable Building Tax Credits

Creating a Green Infrastructure

Background

- 2004 “Clean Energy State”
- Green Building Task Force
- Governor signed EO 2006-001
  - Climate Change in the news
  - Included 50% energy reduction
**EO 2006-001**

- Energy Efficient Green Buildings for State Agencies
  - LEED Silver or higher if > 15,000 SF
  - 50% energy reduction from national average if > 5,000 SF
- Lead By Example

**SBTC**

- New construction or major renovation
- Corporate or Personal Income Taxes
- Available for 7 years - till 2013
- Stimulate green infrastructure
  - Building professionals
  - Materials suppliers
  - Local manufacturers
SBTC Highlights

- Residential - single family
  - LEED-H or Build Green NM
  - HERS Index 60
- Manufactured Housing
  - ENERGY STAR
- Silver
- Gold
- Platinum

SBTC - Residential

- $/SF based on level
  - from $3.00/SF for ENERGY STAR manufactured home
  - to $9.00/SF for LEED-H Platinum
- Annual cap
  - $5 million with $1.25 million for manufactured homes
- Transferable

<table>
<thead>
<tr>
<th>BGNM</th>
<th>First 2,000 sq ft</th>
<th>Next 1,000 sq ft</th>
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<tbody>
<tr>
<td>Gold</td>
<td>$4.50/sq ft</td>
<td>$2.00/sq ft</td>
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<thead>
<tr>
<th>LEED-H Homes</th>
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<tbody>
<tr>
<td>Silver</td>
<td>$5.00/sq ft</td>
<td>$2.50/sq ft</td>
</tr>
<tr>
<td>Gold</td>
<td>$6.85/sq ft</td>
<td>$3.40/sq ft</td>
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<tr>
<td>Platinum</td>
<td>$9.90/sq ft</td>
<td>$4.45/sq ft</td>
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<tr>
<th>Manufactured Homes</th>
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<td>Up to 3,000 sq ft</td>
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<td>$3.00/sq ft</td>
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Example:
- 3,500 SF LEED-H Silver
- $10,000 1st 2000 SF
- 2,500 next 1000 SF
- 0 last 500 SF
- $12,500 tax credit

1 – 2 – 3 – 4

- Choose rating system
- Create your team
  - HERS rater
  - Green rater
  - Verifier
- Design to sustainable goals
- Certify project
Application Process

Residential

Funding Status

SBTC - Residential Funds Availability
Solar Tax Credit

- Purchase and install – receive a tax credit when filing tax returns
- Up to 30% of the cost
- $2,000 in a federal tax credit, and
- Up to $9,000 from NM

available at www.cleanenergynm.org
**SBTC & Solar Tax Credit**

- Can’t use **same** system to get both
- To get both credits:
  - Get HERS index & rating without counting solar
  - Then add solar

**Solar Gross Receipts Tax Exemption**

- Tax deduction for businesses
  - Sale and installation
  - Solar panels
  - Dark color water tank
  - Non-vented trombe walls
- No conflict with SBTC
Net Metering

- 2007 NM Public Regulation Commission (PRC) extended the availability of net metering to systems up to 80 megawatts (MW) in capacity
- Customers are credited or paid for monthly net excess generation (NEG)
- Net Metering Rules (17.9.571 NMAC)*

Solar Rights Act

- 2007 Amendments to 1978 act
- Prohibit cities from passing ordinances or codes and homeowner's associations from passing covenants that forbid solar installations, with the exception of historic districts
- Declaration of Solar Rights* HB611
Thank You

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