

Energy Conservation and Climate Change - By Jurisdiction

Executive Summary

ENERGY CONSERVATION AND CLIMATE CHANGE

ANNUAL REPORT EXECUTIVE SUMMARY

October 2015

For more information: [Government Responses To Climate Change White Paper \(August 2009\)](#)

Overview

Climate change and energy conservation have emerged as issues of great importance. Almost every U.S. jurisdiction surveyed has made legislative or regulatory efforts to address the issue of energy conservation, and some of those efforts have been directed at real estate and real estate transactions. The scope of these efforts has varied, with some jurisdictions imposing new requirements on real estate sales and others relying on incentives to encourage upgrades and retrofits to all homes.

Code Adoptions

A large majority of the jurisdictions have adopted an energy code for residential buildings. Four jurisdictions have adopted their own energy codes, while the remaining jurisdictions have adopted a version of the International Energy Conservation Code (IECC) or the International Residential Code (IRC), promulgated by the International Code Council. As of October 2015, Guam was in the process of adopting the Tropical Energy Code. Two jurisdictions have codes based on the 2006 version of the IECC, and twenty-two have codes based on the 2009 IECC as of October 2015. Tennessee allows compliance with either the 2006 or 2009 version of the IECC. Delaware, District of Columbia, Idaho, Illinois, Iowa, Massachusetts, Minnesota, Montana, Nevada, Rhode Island, Utah, Virginia and Washington have adopted the 2012 IECC. Maryland has adopted the 2015 version of the IECC and the 2012 International Green Construction Code. New Jersey, Texas and Vermont have also now adopted the 2015 IECC, which became effective in 2015 in each of those states. Eight states have no statewide energy code for privately financed residential property.

Thirty-six jurisdictions have adopted a version of the IECC for commercial buildings. Seven jurisdictions have adopted versions of the standards developed by the American Society of Heating,

Refrigerating, and Air Conditioning Engineers (ASHRAE), while five jurisdictions have developed their own energy codes for commercial buildings. Alaska, Arizona, Colorado, Missouri, Oklahoma and Wyoming have no statewide energy code for privately owned commercial buildings.

South Dakota, which has no statewide energy codes, encourages local governments to adopt the 2009 IECC.

Incentives and Tax Credits

Virtually all of the jurisdictions surveyed offer some incentives to increase energy efficiency in buildings. Twenty-three jurisdictions offered an income tax deduction or credit for the purchase of alternative energy equipment or for the cost of energy conservation measures. Thirty-three jurisdictions offered some property tax incentive for alternative energy systems or energy efficient buildings by exempting the system from the tax or excluding the system's value from the assessed value of the real property on which the system is installed. Twenty-three jurisdictions give exemptions or special sales or excise tax treatment to energy efficiency related equipment. Four states offer temporary sales tax exemptions, or "holidays," for energy efficient appliances or fixtures.

A major development in recent years has been the enactment of state laws that authorize property assessed clean energy, or PACE, financing. Laws that authorize PACE financing allow municipal governments to establish loan funds to assist property owners with energy efficiency-related improvements. The loans are repaid through a special assessment on the property tax for the affected property. Twenty-three jurisdictions have enacted laws authorizing PACE financing.

Eighty-three percent of the jurisdictions surveyed now offer some form of loans, grants, or rebates to homeowners or property owners who make energy efficiency improvements to their homes or who install alternative energy systems. For instance, Alaska offers low-interest mortgages to purchasers of energy-efficient homes. New Jersey offers rebates to builders of energy efficient homes. The availability of funding for such programs varies over time.

A popular program in past years involved the paying of rebates to purchasers of ENERGY STAR® certified appliances. Nearly all of these programs have exhausted their funding and have been closed as of October 2015.

Transactional Requirements

Nine jurisdictions have, or have recently enacted, statewide requirements that all residential real estate sellers disclose the building's energy usage to purchasers. Florida requires that such disclosures be made to the purchasers of new construction, and New Hampshire requires disclosures regarding the performance of a building's insulation. No statute or regulation was found that explicitly requires energy audits or inspections for all transactions.

Twenty-two jurisdictions have laws that make restrictions or covenants prohibiting or limiting the use of solar energy systems or collectors or other renewable energy restrictions unlawful. Easements for solar power are explicitly recognized by statute in twenty-nine jurisdictions (Note that other jurisdictions may recognize solar or wind easements; these were the only jurisdictions found that have enacted legislation explicitly recognizing them.).

Alabama

Alabama, Code adoptions

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

The Alabama Department of Economic and Community Affairs has adopted the 2009 International Residential Code (IRC), including the energy chapter as modified, and sections of the 2009 IECC as the state's residential energy code. The Code will apply in all jurisdictions that have not adopted a local energy code. Code information is available online [here](#).

Commercial energy code

Effective October 1, 2012, Alabama adopted the 2009 International Energy Conservation Code (IECC) for commercial construction.

LOCAL OPTIONS FOR CODES

No municipality that did not have an energy or residential code in effect as of March 3, 2010, may adopt any code other than the Alabama Energy and Residential Code (AERC). Amendments to the codes may be made for local conditions, except that provisions required by federal law or regulation may not be changed.

The following jurisdictions have adopted some version of the IECC: Brewton, Decatur, Homewood, Madison, Madison County, Monroeville, Phenix City, Trinity and Vestavia Hills.

Section 41-23-85 amended 2010; regulation 170-X-2-.04 replaced 1997; r. 170-X-2-.01 amended 2010; r. 305-2-4-.08 and 305-2-4-.09 amended 2012; history of websites unknown.

[Ala. Code § 41-23-85 \(2014\)](#); [Ala. Admin. Code r. 170-X-2-.01, .04 \(2013\)](#); [305-2-4-.08, -.09 \(2014\)](#); [U.S. Dep't of Energy, Energy Efficiency & Renewable Energy, Building Energy Codes Program: Ala. DOE Status of State Energy Codes \(last visited Sept. 20, 2015\)](#); [Int'l Code Council, Code Adoptions: Alabama \(last visited Sept. 20, 2015\)](#)

Alabama, Incentives and Tax Credits

STATE TAX INCENTIVES

Wood-burning heating system income tax deduction

An individual taxpayer may deduct from his or her adjusted gross income for state income tax purposes the "total cost of installation for conversion from gas or electricity to wood as the primary energy source for heating their individual domestic homes." The taxpayer must take the deduction in the taxable year during which the conversion was completed.

Renewable Energy Facility incentives

The Alabama Tax Incentive Reform Act of 1992 allows local or county governments, or public industrial authorities, to offer tax abatements to new or expanding producers of electricity or natural gas from renewable energy resources or biofuels. The "renewable energy facilities" that are included in the definition of "industrial or research enterprise" are any plant, property, or facility that either:

- produces electricity or natural gas, in whole or in part, from biofuels or from renewable energy resources except hydropower; or
- produces biofuel.

The taxes that may be abated are:

- non-educational ad valorem taxes;
- construction related transaction taxes, except those local construction related transaction taxes levied for educational purposes or for capital improvements for education; and
- mortgage and recording taxes, or payments required to be made in lieu thereof.

TAX CREDITS FOR PURCHASE OR SALE

No relevant provisions were located.

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

No relevant provisions were located.

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

No relevant provisions were located.

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

Weatherization assistance

The Alabama Department of Economic and Community Affairs sponsors a weatherization assistance program for low-income homeowners which "typically includes mitigating outside air infiltration into the conditioned space of the home, installing attic, wall and floor insulation, sealing duct work, performing HVAC system tune-ups and repairs, repairing leaky and/or faulty windows and doors and replacing incandescent light bulbs with highly efficient compact fluorescent light bulbs. Health and safety checks are also performed on the home."

Alabama also participates in a Low-Income Home Energy Assistance Program funded with federal grants to help qualified low-income families meet residential heating and cooling costs and increase their energy self-sufficiency.

Although no other residential statewide incentives were located, several local utility companies provide loans and rebates for the purchase of energy-efficient products.

Green Power Program

Also, many Alabama power distributors participate in the Tennessee Valley Authority's (TVA) Green Power Switch program, which offers production incentives for alternative energy projects to residential and small commercial customers. In addition, incentives for photovoltaics are offered to large commercial customers.

Eligible projects must not have generated power into the grid before January 2008 or must use new renewable resources with existing equipment.

The Green Power Providers program website provides a current list of TVA distribution utilities in Alabama participating in the program. Customers who are served directly by TVA are also eligible.

Section 40-9B-5 amended 2006; § 40-18-15 amended 2008; §§ 40-9B-3, -4 amended 2012; website history unknown.

[Ala. Code §§ 40-18-15\(a\)\(16\), -9B-3\(a\)\(21\), -4, -5 \(2014\); Tennessee Valley Authority, Green Power Providers Programs \(last visited Sept. 18, 2015\); Alabama Department of Economic and Community Affairs, Alabama Weatherization Assistance Program \(last visited Sept. 18, 2015\)](#)

Alabama, Transactional requirements

ENERGY RETROFIT REQUIREMENTS

No relevant provisions were located.

ENERGY AUDITS

No specifically relevant provisions were located. However, the Alabama Building Commission has adopted the American Society of Home Inspectors (ASHI) Standards of Practice and Code of Ethics, which generally require inspection of numerous items, including specified mechanical systems and insulation and vapor retarders in unfinished spaces.

ENVIRONMENTAL INSPECTIONS

A home inspector explicitly need not inspect the following, among numerous other items:

- geological, geotechnical, or hydrological conditions;
- erosion control and earth stabilization measures;
- solar water or space heating systems; or

- for the presence of any environmental hazards, including but not limited to, toxins, carcinogens, noise and contaminants in soil, water or air.

A home inspector also need not report on the identification of any hazardous substances, environmental issues, or biohazards.

ENERGY USE DISCLOSURES

Research located no Alabama statutes or regulations requiring a real estate seller to disclose any specific information to a prospective buyer.

OTHER RELEVANT PROVISIONS

No other relevant provisions were located.

Regulation adopted 2002.

[Ala. Admin. Code r. 170-x-25-.01\(2\)\(b\) \(2015\)](#)

Alaska

Alaska, Code adoptions

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

Alaska has no statewide residential energy code. A home constructed with financial assistance from the Alaska Housing Finance Corporation or other state agency must comply with the 2013 version of the Building Energy Efficiency Standard (BEES 2013). Generally, BEES 2013 includes

- the 2012 International Energy Conservation Code (IECC 2012);
- American Society of Heating Refrigerating and Air-Conditioning Engineers (ASHRAE) Standard 62.2-2010; and
- Alaska's amendments to IECC 2012 and ASHRAE Standard 62.2-2010.

The IECC 2009 is available for purchase from the International Code Council at www.iccsafe.org. ASHRAE Standard 62.2-2010 is available for purchase from ASHRAE at www.ashrae.org. Alaska's amendments are contained in Alaska-Specific Amendments to the IECC 2012 (Apr. 3, 2013), which is available [here](#).

BEES 2013 is the mandatory minimum energy efficiency standard for:

- residential construction using state financing programs; and
- most community-owned buildings that are "constructed, improved, purchased, or used with state financial assistance."

The standard does not apply to a building that is:

- in a community, or a part of a community, that is exempted from the standard because the executive director determines that the cost of heating fuel in that community "does not economically justify the estimated cost to meet the standard using a life-cycle cost analysis"; or
- provided to temporarily meet an emergency need arising from fire, flood, or other natural disaster.

Commercial energy code

Alaska does not have a statewide commercial energy code. However, BEES 2013 is the mandatory minimum energy efficiency standard for most community-owned buildings that are "constructed, improved, purchased, or used with state financial assistance."

LOCAL OPTIONS FOR CODES

Alaska's residential energy code is not mandatory unless state financial assistance is used in the construction or in the purchase of a loan. Otherwise, a local jurisdiction must adopt the code for general application.

Statutory section amended 1992; regulation section 155.010 amended 2013; § 155.020 amended 2013; website history unknown; state standards amended 2013.

[Alaska Stat. § 46.11.040 \(2014\)](#); [Alaska Admin. Code tit. 15, §§ 155.010, .020 \(2015\)](#); [Alaska Housing Fin. Corp., Alaska-Specific Amendments to the IECC 2012 and ASHRAE Standard 62.2-2010 \(Apr. 3, 2013\)](#); [Alaska Housing Finance Corp. Resolution 14-30 Waiving Two Mandatory Requirements of 2012 BEES \(June 18, 2014\)](#)

Alaska, Incentives and Tax Credits

STATE TAX INCENTIVES

No relevant provisions were located.

TAX CREDITS FOR PURCHASE OR SALE

No relevant provisions were located.

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

Municipalities may enact ordinances that exempt residential renewable energy systems “used to develop means of energy production using energy sources other than fossil or nuclear fuel, including windmills and water and solar energy devices” from property taxation.

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

No relevant provisions were located. (Note that the cost of before-and-after home energy ratings, up to a total of \$500, may be reimbursed pursuant to the Home Energy Rebate Program described below.)

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

Association Loan Program

The Alaska Housing Finance Corporation (AHFC) will lend money to fund homeowners' associations' common area improvements that are necessary for the residents' health and safety or for the building's structural integrity. These may include improvements made for energy efficiency. Loan limits are determined on a case-by-case basis. Click [here](#) for details.

Energy Efficiency Interest Rate Reduction Program

The AHFC offers interest rate reductions when

- they finance new or existing energy-efficient homes; or
- borrowers purchase and make energy improvements to an existing home.

Property may qualify for the Energy Efficiency Interest Rate Reduction (EEIRR) program, if it

- can be energy rated; and
- is otherwise eligible for AHFC financing.

Interest rate reductions apply to the first \$200,000 of the loan. A loan exceeding \$200,000 receives a blended interest rate, rounded up to the next one-eighth of one percent. The percentage rate reductions depend on whether the home is new or existing, its energy rating, whether the property has access to natural gas, and other factors. Generally, EEIRR reductions are as follows:

- for new construction, from .25 to .5 percent;
- for existing energy efficient property, from .125 to .375 percent; and
- for existing properties with energy improvements, from .125 to .75 percent.

For additional information regarding EEIRR rate reductions under various situations, application procedures, and other information and conditions, see the AHFC website [here](#).

The EEIRR program is available through AHFC approved lenders.

Second Mortgage Program for Energy Conservation

The AHFC offers loans of up to \$30,000, with a maximum term of 15 years, to finance energy improvements on owner-occupied properties. Applicants must select from the list of energy upgrades that are provided by an AKWarm-certified Energy Rater. All improvements must be completed within 365 days of loan closing. Improvements that are not listed may not be included in

the loan. The interest rate is the Taxable Program or Rural Owner Occupied 15-year interest rate, plus .375.

If a borrower participates in the Home Energy Rebate Program (see below), the rebate received will be applied to the outstanding balance of the Second Mortgage for Energy Conservation loan.

For additional information, see the AHFC website [here](#).

Home Energy Rebate Program

The Home Energy Rebate Program (HERP) provides a rebate to homeowners who want to make their own energy efficiency improvements on their home. The program requires a home energy rater to evaluate homes before and after the improvements. Rebates depend on the efficiency gained during the update.

HERP may provide the following rebates:

- up to \$10,000 to homeowners who improve the energy efficiency of their homes; and
- a \$7,000 rebate for qualified new 5 Star Plus homes and up to \$10,000 for 6 Star new homes (see [here](#)).

Homeowners must have AKWarm Energy Ratings performed by AKWarm-certified energy raters before doing any work. The costs of ratings are eligible for reimbursement to the homeowner, up to total of \$325. A post-improvement energy rating is done after the work is completed.

Only owner-occupied, year-round residences are eligible.

For additional information, see the AHFC website [here](#).

Weatherization Program

Homeowners and renters may, subject to income limits, apply for the [Weatherization Program](#) through the weatherization provider in their area. Services will be provided to successful applicants at no cost.

Other

A few local utility companies provide incentives or rebates for the purchase of energy-efficient products.

Statutory section amended 2010; websites history unknown.

[Alaska Stat. § 29.45.050 \(2014\)](#); [Alaska Housing Fin. Corp. \(last visited Oct. 14, 2015\)](#) (see links in text above for specifically relevant webpages)

Alaska, Transactional requirements

ENERGY RETROFIT REQUIREMENTS

No relevant provisions were located.

ENERGY AUDITS

No specifically relevant provisions were located.

However, a financial institution that makes home mortgage loans with money provided to it by the Commissioner of Revenue from surplus state general fund investments or a state agency that makes a direct home mortgage loan to an applicant, must include "estimated heating and lighting

costs as determined by an energy audit in standard principal, interest, taxes, and insurance calculation of the cost of buying a housing unit." The home mortgage loan applicant must provide the financial institution or state agency with a copy of the energy audit.

ENVIRONMENTAL INSPECTIONS

No relevant provisions were located.

ENERGY USE DISCLOSURES

Unless exempt pursuant to Alaska Stat. §§ 34.70.120 (first sales) or 34.70.010 (waiver by agreement), a real property seller must deliver to a buyer a completed written disclosure statement in the form established under § 34.70.050. The Residential Real Property Transfer Disclosure Statement includes the information that a transferor of a residential real property interest must disclose to a prospective transferee before the transferee makes a written offer. A copy of the form is available [here](#).

The mandatory form requires the seller

- to report average annual utility costs for gas, electric, oil, propane, wood, coal, water, sewer, refuse, and "other"; and
- to indicate whether he or she has an "Energy Rating Certificate or PUR-101" available for review.

OTHER RELEVANT PROVISIONS

Solar Easements

Alaska's solar easement statute allows parties to enter into a solar easement contract in order to ensure adequate exposure for a solar energy system.

Statutory section 34.15.145 enacted 1980; §§ 34.70.010 and 34.70.120 enacted 1992; § 34.70.050 amended 2001; § 46.11.050 enacted 1980; regulation amended 2008; form amended 2008.

[Alaska Stat. §§ 34.15.145; 34.70.010, .050, .120; 46.11.050 \(2014\); Alaska Admin. Code tit. 12, § 64.930 \(2015\)](#)

Arizona

Arizona, Code adoptions

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

Arizona has not adopted a statewide residential energy code.

Commercial energy code

Arizona has not adopted a statewide commercial energy code. However, all state-funded buildings constructed after February 11, 2005, must comply with the American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE) standard ASHRAE/IESNA 90.1-2004. The standard is available for purchase from ASHRAE at www.ashrae.org.

Certain capital projects, including buildings of more than 6000 square feet that are designed and constructed by the department of administration, school districts, and universities, must include a written evaluation of the following solar energy features:

- proper site orientation;

- use of active and passive solar energy systems for space heating;
- use of solar water heating; and
- use of solar daylighting devices.

The projects must also use "energy life cycle costing" to evaluate "all solar energy and energy conservation design, equipment and materials that are considered for constructing new state buildings and in the scheduled remodeling of existing state buildings."

LOCAL OPTIONS FOR CODES

Arizona is a home rule state, so codes are adopted on a local level.

As of March 2013, the International Code Council (ICC) reported that the following local jurisdictions have adopted the following standardized codes for residential construction:

- 2012 International Energy Conservation Code (IECC): Glendale, Peoria, Pima County and Tucson;
- 2006 IECC: Avondale, Buckeye, Coconino County, Colorado City, Dewey-Humboldt, Douglas, Duncan, El Mirage, Flagstaff, Florence, Fountain Hills, Gilbert, Kearney, Marana, Oro Valley, Paradise Valley, Phoenix, Pinal County, Queen Creek, Sahuarita, Surprise, Tempe, Tolleson, and Yavapai County;
- 2003 IECC: Benson, Carefree, Clarkdale, Cochise County, Fort Mojave Indian Tribe, Goodyear, Graham County, LaPaz County, Show Low, Sierra Vista, and Thatcher; and
- 2000 IECC: Town of Huachuca City.

IECC codes are available for purchase from the ICC at <http://www.iccsafe.org/>.

Section 34-451 enacted 2003; § 34-452 amended 2012; website history unknown.

[Ariz. Rev. Stat. §§ 34-451, -452 \(2015\)](#); [U.S. Dep't of Energy, Energy Efficiency & Renewable Energy, Building Energy Codes Program: Arizona, DOE Status of State Energy Codes \(last visited Oct. 14, 2015\)](#); [Int'l Code Council, Code Adoptions: Arizona \(last visited Oct. 14, 2015\)](#)

Arizona, Incentives and Tax Credits

STATE TAX INCENTIVES

Solar and wind energy tax incentives

Arizona statutes provide state individual and corporate tax credits for commercial and industrial applications of solar energy devices. For taxable years beginning after December 31, 2005, and through December 31, 2018, a credit is allowed against the income taxes of a taxpayer who is either:

- the party installing one or more certified solar energy devices during the taxable year for commercial, industrial, or other nonresidential application in the taxpayer's facility located in Arizona; or
- the "third party organization that financed, installed or manufactured" the qualifying solar energy device, if the taxpayer or an entity exempt from taxation who otherwise would qualify for the credit transfers the credit to the third party organization.

The tax credit, which may be applied against corporate or personal taxes, is equal to 10 percent of the installed cost of qualified solar energy devices.

A solar energy device is "a system or series of mechanisms designed primarily to provide heating, to provide cooling, to produce electrical power, to produce mechanical power, to provide solar daylighting or to provide any combination of the foregoing by means of collecting and transferring solar generated energy into such uses either by active or passive means, including wind generator systems that produce electricity." The systems may also have the capability of storing the energy for future use. Passive systems must clearly be designed as a solar energy device, such as a trombe wall, and not merely a part of a normal structure, such as a window.

The maximum credit per taxpayer is

- \$25,000 for any one building in the same year; and
- \$50,000 in total credits in any year.

If the allowable credit exceeds the taxpayer's income tax liability, the taxpayer may carry forward the amount not used for up to five years as a credit against subsequent years' income tax liability.

To qualify for the tax credits, a business must apply to the Arizona Department of Commerce. The Department will:

- review and evaluate the application;
- determine within thirty days whether the application meets the established criteria; and
- provide its initial certification of a project to the applicant and to the department of revenue.

Upon completion of each certified installation, the business must:

- certify that the installed solar energy device is operational; and
- provide the total amount of income tax credits to be claimed.

The Department will

- review the installation expenses;
- issue a credit certificate to the business; and
- transmit the credit information and certificate number to the department of revenue.

The Department may certify tax credits up to a total of \$1 million each calendar year.

Renewable Energy Business Tax Incentives

Effective January 1, 2010, through December 31, 2016, Arizona's Renewable Energy Tax Incentives Program provides tax incentives to companies in solar, wind, geothermal, and other renewable energy industries that are expanding or locating in Arizona. The program offers two benefits:

- up to a 10 percent refundable income tax credit; and
- up to a 75 percent reduction on real and personal property taxes.

A company may be eligible for tax incentives, if it meets the following specified requirements:

- it is primarily engaged in the manufacturing of or headquarters for producing systems and components that are used or useful in manufacturing renewable energy equipment;
- it is expanding or locating either a renewable energy manufacturing or headquarters facility in Arizona;
- it creates full-time employment positions, of which at least 51 percent are paid at least 125 percent of the state's annual median wage;
- it offers to pay at least 80 percent of the health insurance costs for the new full-time employment positions; and
- it meets specified qualifying investment levels during each 12-month period.

The tax credits will be authorized on a first-come, first-served basis. Businesses must first submit an application to the Arizona Department of Commerce to be approved as an eligible facility.

Qualifying Wood Stove Deduction

The cost of converting an existing wood fireplace to a qualifying wood stove, wood fireplace, or gas-fired fireplace may be deducted from a taxpayer's gross taxable income. The cost includes "nonoptional equipment directly related" to installing the device. The maximum deduction is \$500.

A "qualified gas fired fireplace" includes:

- a device that "burns natural or liquefied petroleum gas as its fuel through a burner system that is permanently installed in the fireplace"; and

- the conversion of an existing wood-burning fireplace to "noncombustible gas logs that are permanently installed in the fireplace."

"Qualified wood stove or wood fireplace" means any of the following:

- a "residential wood heater that meets the standards of performance for new residential wood heaters manufactured on or after July 1, 1990 or sold at retail on or after July 1, 1992 pursuant to 40 Code of Federal Regulations part 60, subpart AAA"; or
- the conversion of an existing wood-burning fireplace to such a unit.

Renewable energy production tax credit

An individual or corporate income tax credit is available for taxpayers who own a qualified energy generator that first produces electricity using a qualified energy resource after December 31, 2010 and before January 1, 2021. A "qualified energy generator":

- is a facility that has at least 5 megawatts generating capacity;
- is located on land in Arizona owned or leased by the taxpayer;
- produces electricity using a qualified energy resource; and
- sells electricity to an unrelated entity, or a public service corporation.

The amount of the credit is based on the type of system and the quantity of electricity generated. The tax credit for wind and biomass systems is \$0.01 per kilowatt-hour of electricity produced in a calendar year. The credit for photovoltaics and solar thermal electric systems varies depending on the year of electricity production according to the following schedule:

- \$0.04 per kilowatt-hour in the first and second calendar years of electrical production;
- \$0.035 per kilowatt-hour in the third and fourth calendar years of electrical production;
- \$0.03 per kilowatt-hour in the fifth and sixth calendar years of electrical production;
- \$0.02 per kilowatt-hour in the seventh and eighth calendar years of electrical production;
- \$0.015 per kilowatt-hour in the ninth calendar year of electrical production; and
- \$0.01 per kilowatt-hour in the tenth calendar years of electrical production.

To be eligible to take the income tax credit for renewable energy produced by a qualified energy generator, a taxpayer must obtain a Certificate of Renewable Energy Production Tax Credit from the Arizona Department of Revenue.

Residential solar and wind energy systems tax credit

Arizona provides residents a personal income tax credit for installing a solar or wind energy device at the taxpayer's Arizona residence. The credit equals 25 percent of the cost of a solar or wind energy device, with a \$1,000 maximum allowable credit. The taxpayer may claim the credit only once in a tax year, and if the credit amount exceeds a taxpayer's liability in a certain year, the unused portion of the credit may be carried forward for up to five years.

"Solar energy device" in this context means "a system or series of mechanisms designed primarily to provide heating, to provide cooling, to produce electrical power, to produce mechanical power, to provide solar daylighting or to provide any combination of the foregoing by means of collecting and transferring solar generated energy into such uses either by active or passive means." The systems may also have the capability of storing the energy for future use. Passive systems must

clearly be designed as a solar energy device, such as a trombe wall, and not merely a part of a normal structure, such as a window.

Arizona law also provides a personal tax credit equal to 10 percent of the installed cost, with a maximum of \$25,000 for any one building and \$50,000 in total credits in any one year, for solar and wind installations in commercial and industrial applications.

Solar and wind equipment retail sales tax exemption

Arizona law provides "[t]here shall be deducted from the tax base the amount received from sales of solar energy devices." This effectively provides a sales tax exemption for the retail sale of solar energy devices. The solar energy retailer must register with the Arizona Department of Revenue before selling the solar energy devices.

Similarly, the state's use tax is not levied on the purchase of solar energy devices from a retailer that is a registered a solar energy retailer or a solar energy contractor.

Solar and wind equipment contract sales tax exemption

The tax base for prime contractors is 65 percent of the gross proceeds of sales or gross income derived from their business. Beginning December 31, 1996, and ending before January 1, 2017, "the gross proceeds of sales or gross income derived from a contract to provide and install a solar energy device" are deducted from the gross proceeds of sales or gross income before computing the tax base. The contractor must register with the department as a solar energy contractor.

TAX CREDITS FOR PURCHASE OR SALE

The individual income tax subtraction for taxpayers who sold one or more energy efficient single family residences, condominiums, or town houses was repealed in 2012 by SB 1045.

The deduction was equal to five percent of the sales price, excluding commissions, taxes, interest, points, and other brokerage, finance and escrow charges, but not more than \$5000 for each single new residence, condominium, or town house.

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

Reduced property tax assessment for renewable energy property

Through December 31, 2040, renewable energy equipment owned and operating in Arizona is assessed at 20 percent of its depreciated cost for the purpose of determining property tax.

"Renewable energy equipment" includes "electric generation facilities, electric transmission, electric distribution, gas distribution or combination gas and electric transmission and distribution and transmission and distribution cooperative property" that is

- located in Arizona; and
- "used or useful for the generation, storage, transmission or distribution of electric power, energy or fuel derived from solar, wind or other nonpetroleum renewable sources not intended for self-consumption, including materials and supplies and construction work in progress."

"Renewable energy equipment" excludes "licensed vehicles and property valued under sections 42-14154 and 42-14156."

Energy equipment property tax exemption

Arizona law provides a property tax exemption for solar energy devices and other devices or systems designed to produce solar energy for on-site consumption. Solar energy devices "are considered to add no value to the property" for tax-assessment purposes.

Effective May 2, 2009, this exemption was expanded to include other renewable energy technologies, combined heat and power systems, and energy efficient building components. Renewable energy equipment includes equipment that is used to produce "energy primarily for on-site consumption from renewable resources, including wind, forest thinnings, agricultural waste, biogas, biomass, geothermal, and low-impact hydropower."

A "solar energy device" is a "system or series of mechanisms designed primarily to provide heating, to provide cooling, to produce electrical power, to produce mechanical power, to provide solar daylighting or to provide any combination of the foregoing by means of collecting and transferring solar generated energy into such uses either by active or passive means." The systems may also have the capability of storing the energy for future use. Passive systems must clearly be designed as a solar energy device, such as a trombe wall, and not merely a part of a normal structure, such as a window.

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

No relevant provisions were located.

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

Although no other statewide incentives were located, several local utility companies provide loans or rebates for the purchase of energy-efficient products. In addition, a number of local jurisdictions provide green-building incentives.

Section 43-1083.02 enacted 2010; § 44-1761 amended 1997; §§ 43-1027 and 43-1083 amended 1998; § 41-1510.01 enacted 2006; § 43-1085 amended 2007; § 42-14155 amended 2008; § 42-11054 amended 2009; §§ 41-1511 and 43-1164 amended 2010; §§ 42-5001, 42-5061, 42-5075, 42-5159 amended 2012; Tax Credit Program Guidelines issued 2011, revised 2014.

[Ariz. Rev. Stat. Ann. §§ 41-1510.01, -1511; 42-5001, -5061\(N\), -5075\(B\)\(13\), -5159; 43-1027, -1083, -1083.02, -1085, -1164; 42-11054\(C\)\(2\), -14155; 44-1761 \(2015\); AZ Dep't of Revenue, Renewable Energy Production Tax Credit Program Guidelines \(Apr. 11, 2014\).](#)

[Arizona, Transactional requirements](#)

ENERGY RETROFIT REQUIREMENTS

No relevant provisions were located.

ENERGY AUDITS

No relevant provisions were located.

ENVIRONMENTAL INSPECTIONS

No specifically relevant provisions were located. However, a certified home inspector must conduct a home inspection in accordance with the Standards of Professional Practice adopted by the Arizona Chapter of the American Society of Home Inspectors, which are adopted from the American Society of Home Inspectors 1992 Standards of Practice. Therefore, a home inspector in Arizona must visually observe many specified home systems, including the following environment-related systems:

- fuel storage and distribution systems, including interior fuel storage equipment, supply piping, venting and supports, and leaks; and
- insulation and vapor retarders in unfinished spaces.

An inspector need not observe:

- geological conditions;
- soil conditions;

- attached roofing accessories, including solar systems, antennae and lightning arresters;
- on-site water supply quantity and quality; or
- on-site waste disposal systems, among numerous other exempt systems.

ENERGY USE DISCLOSURES

No relevant provisions were located.

OTHER RELEVANT PROVISIONS

Any covenant, restriction, or condition contained in a deed, contract, security agreement, or other instrument affecting the transfer or sale of real property that "effectively prohibits the installation or use of a solar energy device" is void and unenforceable. Any such instrument entered into before April 17, 1980, is not subject to this restriction.

Statutory section amended 1989; regulation adopted 2000; standards dated 2002.

[Ariz. Rev. Stat. § 33-439 \(2015\)](#); [Ariz. Admin. Code R4-30-301.01 \(2013\)](#); [Standards of Professional Practice for Arizona Home Inspectors \(2002\)](#)

Arkansas

Arkansas, Code adoptions

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

The Arkansas Energy Code is a combination of the International Energy Conservation Code (IECC) and ASHRAE 90.1 standards. These standards, plus the [2014 Arkansas Energy Code for New Building Construction Supplements and Amendments](#) constitute the "Arkansas Energy Code" for residential and commercial buildings in Arkansas.

The most recent update to the residential code became effective January 1, 2015 and includes the 2009 IECC, which is available for purchase from the International Code Council at <http://www.iccsafe.org/>.

Commercial energy code

For commercial structures, the Arkansas Energy Code adopts by reference the American Society of Heating, Refrigerating, and Air Conditioning Engineers (ASHRAE) ANSI/ASHRAE/IESNA Standard 90.1-2007, which is the "Energy Standard for Buildings Except Low-Rise Residential Buildings." Amendments to the 2009 IECC and ANSI/ASHRAE/IESNA Standard 90.1-2007 that are relevant to commercial and high-rise residential construction are found in the [2014 Arkansas Energy Code for New Building Construction Supplements and Amendments](#).

2009 IECC is available for purchase from the International Code Council (ICC) at <http://www.iccsafe.org/>. ANSI/ASHRAE/IESNA 90.1-2007 is available for purchase from ASHRAE at www.ashrae.org.

LOCAL OPTIONS FOR CODES

The Arkansas state-specific amendments to the 2009 IECC are mandatory statewide in residential and commercial construction.

Section 23-2-2004 enacted 2009; website history unknown; code amendments adopted 2015; website history unknown.

[Ark. Economic Development Comm'n, Energy Office, Energy Code \(last visited Oct. 15 2015\).](#)

Arkansas, Incentives and Tax Credits

STATE TAX INCENTIVES

No relevant provisions were located.

TAX CREDITS FOR PURCHASE OR SALE

No relevant provisions were located.

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

No relevant provisions were located.

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

No relevant provisions were located.

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

ENERGY STAR® Appliance Rebates

Due to fund depletion, the Arkansas Energy Office terminated its rebate program for select Energy Star appliances on April 12, 2012.

PACE Program

Pursuant to the 2013 "Property Assessed Clean Energy Act" residential or commercial real property owners may finance an energy efficiency improvement, a renewable energy project or a water conservation improvement on the owner's property through a PACE program established by a municipality, county, combination of cities or counties or both, or statewide property assessed energy improvement district.

Weatherization Assistance Program

The Arkansas Weatherization Program provides grants averaging \$5,000 to low-income property owners. The program helps customers of participating utilities to reduce energy usage. For additional information, see [Arkansas Energy Office, "Weatherization Assistance Program" \(last visited Oct. 19, 2015\)](#).

Other programs

Although no other statewide incentives were located, several local utility companies provide loans or rebates for the purchase of energy-efficient products.

Enacted 2103.

[2013 Ark. Laws Act 1074](#) (to be codified as Ark. Code 8-15-101 to -119)

Arkansas, Transactional requirements

ENERGY RETROFIT REQUIREMENTS

No relevant provisions were located.

ENERGY AUDITS

No specifically relevant provisions were located. However, the Arkansas Home Inspector Registration Board has adopted rules which generally require inspection of numerous items, including specified mechanical systems and insulation and vapor retarders in unfinished spaces.

ENVIRONMENTAL INSPECTIONS

No specifically relevant provisions were located.

Pursuant to the rules of the Board, a home inspector explicitly need not inspect or report the following, among numerous other items:

- geological, geotechnical, or hydrological conditions;
- erosion control and earth stabilization measures;
- water supply quantity or quality;
- indoor air quality;
- solar water or space heating systems; or
- the presence of any environmental hazards, including but not limited to, toxins, carcinogens, noise and contaminants in soil, water or air.

A home inspector also need not determine the effectiveness of any system installed or methods used to control or remove suspected hazardous substances.

ENERGY USE DISCLOSURES

Research located no Arkansas statutes or regulations requiring a real estate seller to disclose information to a prospective buyer.

OTHER RELEVANT PROVISIONS

No other relevant provisions were located.

Rules promulgated 2014.

Ark. Code Ann. § 17-52-319 (2015); [Ark. Home Inspector Registration Bd. Rules and Procedures \(2015\)](#)

California

California, Code adoptions

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

The 2008 Building Energy Efficiency Standards for Residential and Nonresidential Buildings (2008 BEES) was adopted on April 23, 2008, and became effective on January 1, 2010. The 2008 BEES is available [here](#).

In 2013, the California Building Standards Commission adopted the 2013 California Building Standards Code, which amends the BEES. The 2013 BEES becomes effective July 1, 2014 and is available [here](#).

The California Energy Commission, as of October 2015, is in the process of promulgating 2016 standards that will become effective January 1, 2017. For additional information see the Commission [website](#).

Commercial energy code

The 2013 BEES applies to both residential and commercial buildings. The standards are available [here](#).

LOCAL OPTIONS FOR CODES

California's energy codes are mandatory statewide in residential and commercial construction.

Local governmental agencies may adopt and enforce more stringent energy standards provided specified documentation is provided to the California Energy Commission.

2008 BEES adopted 2008; DOE website history unknown.

[Cal. Energy Comm'n, 2013 Building Energy Efficiency Standards for Residential and Nonresidential Buildings \(2014\); U.S. Dep't of Energy, Energy Efficiency & Renewable Energy, Building Energy Codes Program: California DOE Status of State Energy Codes \(last visited Oct. 14, 2015\)](#)

California, Incentives and Tax Credits

STATE TAX INCENTIVES

No relevant provisions were located.

TAX CREDITS FOR PURCHASE OR SALE

No relevant provisions were located.

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

Property tax exclusions for solar energy systems

Cal. Rev. & Tax Code § 73 provides a property tax exclusion for qualifying active solar energy systems installed between January 1, 1999, and January 1, 2025 (on which date the law authorizing the exclusion is repealed). The provision is based on the state's constitutional declaration that in the context of property tax valuations, the term "newly constructed" does not include the construction or addition of certain active solar energy systems. The exclusion extends to the construction of an active solar energy system incorporated by an owner-builder in the initial construction of a new building that the owner-builder does not intend to occupy or use, if

- the owner-builder did not already receive an exclusion for the same active solar energy system; and
- the initial purchaser purchased the new building before it became subject to reassessment to the owner-builder.

Qualifying active solar energy systems are systems that "are thermally isolated from living space or any other area where the energy is used, to provide for the collection, storage, or distribution of solar energy." Solar pool-heating systems and solar hot-tub-heating systems are not included.

Certain components are also included under the exclusion, such as storage devices, power-conditioning equipment, transfer equipment, and parts. Pipes and ducts used to carry both solar energy and energy from other sources and dual-use equipment for solar-electric systems qualify for the exemption at 75 percent of their value.

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

No relevant statewide provisions were located for residential property. However, some local utility companies may provide free energy audits under certain situations.

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

California Solar Initiative solar incentives

The California Solar Initiative (CSI) is a group of programs, including, among others, "Solar Incentives for Residential and Commercial Customers" and "Solar Programs for Low-Income Single- and Multi-Family Housing." Details of the programs, including eligibility requirements and incentive amounts, are available in the "California Solar Initiative Program Handbook" available [here](#). Additional information is available at the program website [here](#).

Generally, CSI provides more than \$2 billion in incentives for solar-energy projects, with the objective of providing 1,940 megawatts of installed solar capacity by 2016.

Incentives for projects on existing homes are awarded as one-time, up-front payments based on expected performance, calculated using equipment ratings and installation factors, such as geographic location, tilt, orientation, and shading. Residential and small commercial projects (under 50 kilowatts) may also choose to opt in to the performance-based incentive program. All installations of 50 kilowatts or larger are a part of the performance-based incentive program, which pays out incentives over a sixty-month period.

Incentives for certain non-photovoltaic technologies are also available for CSI incentives.

New Solar Homes Partnership incentives

The New Solar Homes Partnership (NSHP), a part of the CSI, is a program to encourage solar systems in new homes by encouraging builders and developers to incorporate high energy-efficiency levels and high-performing solar systems into homes. The NSHP specifically targets the market-rate and affordable housing single-family and multifamily sectors.

Incentives are determined by housing type and the system's expected performance. To qualify for incentives, the residence must have substantially higher energy efficiency than the current Building Energy Efficiency Standards. The incentive is paid once the system is installed, is operational, and has met all program requirements.

The program identifies the following two incentive levels:

- the "base incentive," which applies to custom homes, small developments, housing developments where solar is offered as an option, and common areas of housing developments; and
- the "solar as a standard feature incentive," which applies when a builder of six or more homes in a development commits, in a minimum of 50 percent of the residential units in the subdivision or multifamily housing development, to installing solar electric systems that meet or exceed the California Flexible Installation criteria.

The incentive amounts, which vary by level, will decline over the life of the program.

Other incentive levels apply to affordable housing projects and common areas of affordable housing projects.

Details regarding the NSHP program are available in the "New Solar Homes Partnership Guidebook," available [here](#).

Emerging Renewables Program

The California Energy Commission offered cash rebates on eligible grid-connected small wind energy electric-generating systems (up to 50 kilowatt) through its Emerging Renewables Program (ERP). The ERP was also structured to provide rebates for fuel cell systems. However, all of the funds for the program were exhausted and the program discontinued on July 2012.

Energy Upgrade California

Energy Upgrade California is program developed by the California Energy Commission, the Public Utilities Commission, utilities, local governments, non-governmental organizations and private businesses to promote and finance energy efficiency and renewable energy projects for homes and businesses. The Energy Upgrade web portal is a one-stop clearinghouse for information regarding incentives and rebates including alternative financing for residential building improvements and financial incentives by lenders. All 58 counties have their own page to highlight the services and energy efficiency programs available for their residents. Further information may be found on the Energy Upgrade web portal [here](#).

Property Assessed Clean Energy (PACE) Program

The California PACE financing program authorizes a public agency and a property owner to enter into voluntary contractual assessment agreements to finance installation of distributed generation renewable energy or energy or water efficiency improvements that are permanently affixed to the property. Municipalities participating in the program must consider whether the requested financing is for less than 15% of the property value, up to the first \$700,000 of the property's value and is less than 10% of the remaining value above \$700,000. For information on PACE financing through property assessments see the [Energy Upgrade California "Financing" webpage \(last visited Oct. 19, 2015\)](#).

Municipal Energy Districts

California law permits cities and counties to offer financing programs to property owners for improvements to developed property. The property owner must agree to repay the loan as a special assessment over a period of years.

Other

Several local utility companies and local jurisdictions provide loans, grants, and rebates for the purchase of energy-efficient products. Also, several local jurisdictions offer green-building incentives.

Statutory section 73 amended 2011; § 5898.20 enacted 2008; constitutional section amended 2008, approved by the voters 2010; CSI program handbook revised 2013; NSHP guidebook revised 2014; ERP guidebook revised 2011; website history unknown.

[Cal. Rev. & Tax Code § 73](#); [Sts. & High. Code § 5898.20 \(2015\)](#); [Cal. Const. art. 13A, § 2](#); [Cal. Pub. Util. Comm'n, California Solar Initiative Program Handbook \(Aug. 2014\)](#); [Cal. Energy Comm'n, New Solar Homes Partnership Guidebook, Ninth Ed. \(July 2015\)](#); [Cal. Energy Comm'n, Renewable Energy Program Overall Program Guidebook \(6th ed. Apr. 2013\)](#); [Energy Upgrade California website \(visited Oct. 14, 2015\)](#)

California, Transactional requirements

ENERGY RETROFIT REQUIREMENTS

No relevant statewide provisions were located.

Some local jurisdictions have energy-related pre-sale requirements. For example, Berkeley has adopted an ordinance requiring certain energy conservation measures to be installed in residential and commercial properties upon the property's sale or major renovation.

ENERGY AUDITS

Effective January 1, 2011, all home inspections may, if requested by the client, be accompanied by a Home Energy Rating System (HERS) California home energy audit. If an energy audit is requested, the HERS California home inspection report accompanying any home inspection report must comply with the standards and requirements established by the Energy Commission for HERS California home energy audits.

ENVIRONMENTAL INSPECTIONS

No generally relevant provisions were located.

An environmental audit may be required in connection with California Loans for Environmental Assistance Now.

Generally, subject to the exemptions contained in Civil Code § 1102.2, required real estate transfer disclosures must be made on a copy of the Real Estate Transfer Disclosure Statement set forth in Civil Code § 1102.6. The Real Estate Transfer Disclosure Statement requires a seller to disclose the following items related to the environment:

- substances that may be an environmental hazard, including asbestos, formaldehyde, fuel or chemical storage tanks, and contaminated soil or water on the property;
- any settling, slippage, sliding, or other soil problems; and
- effective January 1, 2012, whether the property is equipped with water-conserving plumbing fixtures.

As soon as practicable before transfer of title, a residential real property seller with actual knowledge must give written notice that the property is

- adjacent to an industrial use,
- zoned to allow an industrial use, or
- affected by a nuisance created by an industrial use.

ENERGY USE DISCLOSURES

Commercial building disclosures

Electric and gas utilities must

- maintain records of the energy consumption data on all nonresidential buildings to which they provide service; and
- upon written or secured electronic authorization of a nonresidential building owner or operator, upload all of the energy consumption data for a building to the Energy Star Portfolio Manager in a manner that preserves the customer's confidentiality.

A nonresidential building owner or operator must disclose the Energy Star Portfolio Manager benchmarking data and ratings for the most recent 12-month period to any prospective buyer, lessee, or lender.

Home energy rating program

California has a statewide home energy rating program for residential dwellings. The program criteria include, among other things, reasonable estimates of potential utility bill savings and reliable recommendations on cost-effective measures to improve energy efficiency. The program includes a centralized, publicly accessible data base that includes a uniform reporting system for information on residential dwellings needed to facilitate the program. However, the public may not access the information in the data base concerning specific dwellings without the owner's or occupant's permission. The program also contains "labeling procedures that will meet the needs of home buyers, homeowners, renters, the real estate industry, and mortgage lenders with an interest in home energy ratings."

No home energy rating services may be performed in California unless the services have been certified.

If the informational published booklet concerning the statewide home energy rating program is delivered to a transferee in connection with a real property transfer,

- the seller or broker is not required to provide information in addition to that contained in the booklet concerning home energy ratings; and

- the information in the booklet is deemed to be adequate to inform the transferee about the existence of the statewide home energy rating program.

This provision does not alter "any existing duty of the seller or broker under any other law . . . to disclose information concerning the existence of a home energy rating program affecting the real property."

OTHER RELEVANT PROVISIONS

Any covenant, restriction, or condition in a deed, contract, security instrument, or other instrument affecting the transfer or sale of real property that "effectively prohibits or restricts the installation or use of a solar energy system" is void and unenforceable, unless the provision imposes "reasonable restrictions."

Sections 7199.5 and 7199.7 added 2010; § 25942 amended 1994; § 1102.2 amended 2000; § 2079.10 amended 2004; § 25402.10 amended 2007; § 714 amended 2008; § 1102.6 amended 2011; ordinance history unknown; regulation section adopted 1994.

[Cal. Bus. & Prof. Code § 7199.5, .7; Civ. Code §§ 714, 1102.2, .6; 2079.10 \(2015\)](#); Cal. Code Regs. tit. 4, § 8055 (2015); see [Berkeley, Cal., Mun. Code § 19.16.050 \(2015\)](#)

Colorado

Colorado, Code adoptions

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

Colorado has not adopted a statewide residential energy code.

Every county that has enacted or enacts a building code must also adopt a building energy code that meets or exceeds the standards in the 2003 version of the International Energy Conservation Code (IECC). The county's code must apply to "the construction of, and renovations and additions to, all commercial and residential buildings in the county to which the building code applies." The following buildings are exempt:

- a building that is otherwise exempt from the building code adopted by the county in which the building is located;
- a building that does "not contain a conditioned space";
- a building that does not use either electricity or fossil fuels for comfort heating;
- historic buildings; and
- a building that is exempt according to the energy code's terms.

A similar provision applies to municipalities that adopt building or energy codes. A municipality that is required to adopt an energy code may amend the energy code as appropriate for local conditions, as long as the amendments do not decrease the code's effectiveness.

The 2009 IECC applies for multi-family or factory-built structures in areas that do not adopt or enforce building codes.

Commercial energy code

Colorado has not adopted a statewide commercial energy code. The provisions described above apply to both residential and commercial construction.

The 2009 IECC applies for state-owned buildings and facilities.

Note that the 2003 IECC, which is the minimum energy code for any jurisdiction that has adopted a building code, contains references to the American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE) standard ASHRAE/IESNA 90.1-2004. The ASHRAE standard is available for purchase from [ASHRAE](#).

LOCAL OPTIONS FOR CODES

Colorado is a home rule state, so local jurisdictions adopt energy codes at the local level. A county board may amend its energy code as appropriate for local conditions, as long as the amendments do not decrease the code's effectiveness.

A map showing energy code adoptions on a county basis is available [here](#).

Statutory section 30-28-201 amended 2007; §§ 30-28-211 and 31-15-602 amended 2008; websites histories unknown.

Colo. Rev. Stat. §§ 30-28-201(3), -211; 31-15-602 (2015); [U.S. Dep't of Energy, Energy Efficiency & Renewable Energy, Building Energy Codes Program: Colo. DOE Status of State Energy Codes \(last visited Oct. 19, 2015\)](#); [Int'l Code Council, Code Adoptions: Colorado \(last visited Oct. 19, 2015\)](#)

Colorado, Incentives and Tax Credits

STATE TAX INCENTIVES

Sales taxes

A county may offer a county sales tax credit or rebate to a residential or commercial property owner who installs a renewable energy fixture on his or her property. "Renewable energy fixture" means "any fixture, product, system, device, or interacting group of devices installed behind the meter of any residential or commercial building that produces energy . . . from renewable resources," including, without limitation,

- photovoltaic systems,
- solar thermal systems,
- small wind systems,
- biomass systems, or
- geothermal systems.

A municipality may offer a similar municipal sales tax credit or rebate to a residential or commercial property owner who installs a renewable energy fixture on his or her property.

Also, effective state fiscal years 2009-2010 through 2016-2017, all "sales, storage, and use of components used in solar thermal systems" are exempt from the state's sales tax.

Use taxes

A town's, city's, or county's use tax ordinance may provide that the tax will not apply to sale, storage, or use of components used to produce alternating current electricity from a renewable energy source.

Also, effective state fiscal years 2009-2010 through 2016-2017, all "sales, storage, and use of components used in solar thermal systems" are exempt from the state's use tax.

TAX CREDITS FOR PURCHASE OR SALE

No relevant provisions were located.

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

Optional property tax credit or rebate

A county may offer a county property tax credit or rebate to a residential or commercial property owner who installs a renewable energy fixture on his or her property. "Renewable energy fixture" means "any fixture, product, system, device, or interacting group of devices installed behind the meter of any residential or commercial building that produces energy from renewable resources," including, without limitation,

- photovoltaic systems,

- solar thermal systems,

- small wind systems,

- biomass systems, or

- geothermal systems.

A municipality may offer a similar municipal property tax credit or rebate to a residential or commercial property owner who installs a renewable energy fixture on his or her property.

Renewable Energy Property Tax Assessment

When valuing a renewable energy facility that primarily produces more than two megawatts of alternating current electricity, the property tax administrator must:

- consider the "additional incremental cost per kilowatt" of constructing a renewable energy facility, inclusive of the cost of all property required to generate and deliver energy to the interconnection meter, over the construction cost of a comparable nonrenewable energy facility to be an investment cost;
- not include that additional incremental cost in the facility's valuation; and
- not add value to a renewable energy facility for renewable energy credits created by producing alternating current electricity.

For facilities first placed in production on or after January 1, 2009, large-scale solar facilities may use the same method for property tax assessments as wind-energy facilities.

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

No relevant statewide provisions were located. However, some local utility companies provide free energy audits for certain residential or agricultural property.

The Colorado Energy Office is implementing a Home Energy Score Program, which differs from a comprehensive energy audit. For additional information, see [Colorado Energy Office, "Information on the Home Energy Score" \(last visited Oct. 19, 2015\)](#).

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

Energy Saving Mortgage Program

Legislation enacted in 2013 established the Colorado Energy Saving Mortgage Program to lower the cost to consumers of mortgages issued to a borrower by a participating lender through the Program for the purpose of financing the purchase of a newly built energy efficient home or improvements to an existing home made in accordance with recommendations made by the Colorado Energy Office following an energy audit of the home.

Green Building Incentive Program

The Energy Office is soliciting proposals for third-party administrators to administer a Green Building Incentive Program. The program will provide grants to homeowners for improvements to improve the energy efficiency of their homes.

Additional information will be released as it becomes available.

Home Performance with ENERGY STAR® Program

The Energy Office partners with local Colorado utilities and the U.S. Department of Energy and the Environmental Protection Agency that offers rebates to homeowners for energy efficiency-related home improvements. Application is made through participating local utilities. Details are available on the program's website, [here](#).

Improvement Districts for Energy Efficiency and Renewable Energy Improvements

Colorado has authorized local governments to establish Property-Assessed Clean Energy financing programs by creating improvement districts. A city or county board may propose, by resolution or ordinance, an improvement district specifically for clean energy improvements. The amount borrowed from the program is typically repaid by a special assessment on the property over a period of years.

Weatherization Assistance

The Colorado Energy Office Weatherization Program partners with local agencies to provide no-cost weatherization services to qualified low-income homeowners and renters. For additional information on this program, see [Colorado Energy Office, "Weatherization FAQs" \(last visited Oct. 20, 2015\)](#).

Other

Several local utility companies provide loans and rebates for the purchase of energy-efficient products.

Statutory section 30-20-601.5 enacted 2008; § 30-11-107.3 amended 2008; §§ 29-2-105, 29-2-109 and 39-26-724 amended 2014; § 39-4-102 amended 2010; § 31-20-101.3 amended 2009; § 24-38.5-102.7 enacted 2013; website histories unknown.

Colo. Rev. Stat. §§ 24-38.5-102.7; 29-2-105, -109; 30-11-107.3, -20-601.5; 31-20-101.3; 39-4-102, -26-724 (2015); [Colorado Energy Office, "Energy Efficiency" \(last visited Oct. 20, 2015\)](#);

Colorado, Transactional requirements

ENERGY RETROFIT REQUIREMENTS

No relevant provisions were located.

ENERGY AUDITS

No relevant statewide provisions were located. Some local jurisdictions provide free energy audits to residential or commercial customers. The Colorado Energy Office is implementing a Home Energy Score Program, which differs from a comprehensive energy audit. For additional information, see [Colorado Energy Office, "Information on the Home Energy Score" \(last visited Oct. 19, 2015\)](#).

ENVIRONMENTAL INSPECTIONS

No relevant provisions were located.

Note that Colorado's mandatory seller's disclosure form requires numerous environmental disclosures based on the seller's knowledge.

ENERGY USE DISCLOSURES

Colorado's mandatory seller's disclosure statement does not require energy use disclosures.

The Energy Office has contracted with the managers of Multiple Listing Services to include energy efficiency "green fields" such as insulation, solar, and Energy Star appliances in home listings. According to the Energy office, 90% of the homes in Colorado are covered by a participating MLS. The "Green Disclosure" (Energy) form is available [here](#).

OTHER RELEVANT PROVISIONS

Any "covenant, restriction, or condition contained in any deed, contract, security instrument, or other instrument affecting the transfer or sale" of real property that "effectively prohibits or restricts the installation or use of a renewable energy generation device" is void. In this context, a "renewable energy generation device" includes:

- a solar energy device; or
- a wind-electric generator that meets the public utilities commission's interconnection standards.

This restriction does not apply to:

- "aesthetic provisions that impose reasonable restrictions on the dimensions, placement, or external appearance of a renewable energy generation device" that do not significantly increase the device's cost or significantly decrease its performance or efficiency;
- bona fide safety requirements; or
- "reasonable restrictions on the installation and use of wind-electric generators to reduce interference with the use and enjoyment by residents of property situated near wind-electric generators" as a result of the generators' sound.

Statutory section 38-30-168 amended 2008; regulation amended 2011; form dated 2011, effective 2012.

Colo. Gen. Stat. § 38-30-168 (2015); 4 Colo. Code Regs. § 725-1(F-7) (2015); [Colo. Real Estate Comm'n, Seller's Property Disclosure \(Residential Properties\) \(Oct. 2011\)](#).

Connecticut

Connecticut, Code adoptions

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

Effective October 6, 2011, Connecticut has adopted the 2009 International Energy Conservation Code (2009 IECC), with Connecticut amendments as the state's residential energy code. The 2009 IECC is available for purchase from the [International Code Council](#). The Connecticut amendments are available [here](#).

The State Building Inspector and the Codes and Standards Committee must revise the State Building Code to incorporate the 2012 IECC within 18 months of its publication for commercial and residential buildings. The process of incorporating the 2012 IECC, with amendments, into a 2016 Connecticut Building Code should be complete in the Spring of 2016. See OSBI [Building Code Adoption webpage](#).

Commercial energy code

Effective October 6, 2011, Connecticut has adopted the 2009 IECC as the state's nonresidential energy code, with reference to ASHRAE 90.1-2007 and Connecticut amendments. Renovation projects that are expected to cost \$2 million or more and all buildings except residential buildings with fewer than five units that are projected to cost \$5 million or more must qualify for a LEED-Silver rating or an equivalent standard.

The State Building Inspector and the Codes and Standards Committee must revise the State Building Code to incorporate the 2012 IECC within 18 months of its publication for commercial and residential buildings. The estimated adoption date for the 2012 IECC Spring of 2016. See OSBI [Building Code Adoption webpage](#). The 2009 IECC code is available for purchase from the [International Code Council](#).

LOCAL OPTIONS FOR CODES

The 2009 IECC is mandatory statewide in residential and commercial construction.

Section 29-256a amended 2009; websites history unknown.

[Conn. Gen. Stat. § 29-256a \(2015\)](#); [U.S. Dep't of Energy, Energy Efficiency & Renewable Energy, Building Energy Codes Program: Connecticut DOE Status of State Energy Codes \(last visited Oct. 20, 2015\)](#); [CT Office of State Building Inspector website \(last visited Oct. 28, 2015\)](#).

Connecticut, Incentives and Tax Credits

STATE TAX INCENTIVES

Sales and Use Tax Exemption for Energy-Efficient Products

Connecticut offers a sales and use tax exemption for residential weatherization products and compact fluorescent light bulbs. "Residential weatherization products" include:

- programmable thermostats;
- window film;
- caulking;
- window and door weather strips;
- insulation;
- water heater blankets;
- water heaters;
- natural gas and propane furnaces and boilers that meet the federal Energy Star standard;
- windows and doors that meet the federal Energy Star standard;
- oil furnaces and boilers that are at least 84 percent efficient; and
- ground-source heat pumps that meet the minimum federal energy efficiency rating.

Connecticut also exempts the following from its sales and use tax, including related equipment and installation services:

- solar energy electricity generating systems;
- passive or active solar water or space heating systems; and
- geothermal resource systems.

TAX CREDITS FOR PURCHASE OR SALE

No relevant provisions were located.

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

Upon written application, Connecticut provides a property tax exemption for the following:

- certain active solar energy heating or cooling systems, "to the extent of the amount by which the assessed valuation of such real property equipped with such solar heating or cooling system exceeds the assessed valuation of such real property equipped with the conventional portion of the heating or cooling system, exclusive of any portion of such system related to solar energy," provided the exemption applies only to the first 15 years following the building's construction or the addition of the system to the building;
- Class I renewable energy sources, hydropower facilities, solar water or space heating systems, and geothermal energy sources, installed to generate electricity for private residential use or on a farm, provided the installation is for a single-family dwelling, multifamily dwelling consisting of two to four units, or a farm;
- certain passive or active solar water or space heating systems or geothermal energy resources;

- passive solar energy heating or cooling systems and hybrid systems, to the extent of the amount "by which the assessed valuation of such real property equipped with such a system exceeds the valuation at which such real property would be assessed if built using conventional construction techniques in lieu of construction related to such a system," provided this exemption applies only to the first 15 assessment years following the building's construction or the addition of the system to the building; or
- cogeneration systems installed on or after July 1, 2007.

Connecticut's regulations provide additional eligibility details, including the restriction that any building located in a municipality that has adopted § 12-81(62), "the construction of which is commenced on or after April 20, 1977, and before October 1, 1991, which is equipped with a passive or hybrid solar energy heating or cooling system, of any building to which such a system is added on or after April 20, 1977 and before October 1, 1991 shall be eligible for exemption of property tax."

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

No relevant provisions were located.

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

CEFIA Residential Solar Incentives

The Connecticut Green Bank has two programs to provide incentives for residential customers to use solar energy systems.

Additional information is available on the [program website](#).

Condominium Renewable Energy Grant Program

The Connecticut Green Bank has several energy improvement financing programs for multi-family buildings.

Additional information is available on the [program website](#).

Connecticut Housing Investment Fund, Inc. Energy Efficiency Loans

Customers of Connecticut Light and Power or United Illuminating Company are eligible for loans for qualifying energy efficiency upgrades. The upgrades must be

- recommended through the Home Energy Solutions Program; and
- performed by an approved contractor.

Loans may be from \$2,500 to \$20,000. Loans are at an interest rate of 2.99% or 4.99%, depending on the amount of the loan. Funds may be used to pay all of the cost of a project. Through June 30, 2013, zero-interest loans are available for insulation-only improvements.

Eligible improvements depend on the type of heating system already in the home.

Additional information is available on the [program website](#).

CT Solar Lease

CT Solar Lease is a program that allows qualifying homeowners to lease a photovoltaic system. See the [program website](#).

Energy conservation loans

The Connecticut Housing Investment Fund (CHIF) provides below-market energy conservation loans to single family and multi-family residential property owners. Owners of one- to four-unit homes may borrow up to \$25,000. Multi-family property owners may borrow up to \$3,500 per unit (a maximum of \$100,000 per building) for a period of 10 years for eligible improvements. Eligible improvements include:

- automatic set-back thermostats;
- siding;
- caulking and weatherstripping;
- insulation;
- heat pumps;
- replacement heating systems;
- replacement roofs;
- replacement windows; and
- solar systems and passive solar additions.

Eligible borrowers must be Connecticut residents with good credit. Borrowers must also have average adjusted gross income for the last two years that does not exceed the program's

established income limits. Income limits vary according to family size and the community in which the borrower lives.

Additional information and applications for loans are available from the [CHIF website](#).

Low-interest loans for customer-side distributed resources

Long-term financing for customer-side distributed resources and advanced power monitoring and metering equipment is available through a lender working with the DPUC. Capital costs and project-development costs are eligible for the loan. The lender determines the interest rates, which are fixed, at the time of application.

"Customer-side distributed resources" include

- "the generation of electricity from a unit with a rating of not more than sixty-five megawatts on the premises of a retail end user within the transmission and distribution system including, but not limited to, fuel cells, photovoltaic systems or small wind turbines"; or
- "a reduction in the demand for electricity on the premises of a retail end user in the distribution system through methods of conservation and load management, including, but not limited to, peak reduction systems and demand response systems."

Municipal sustainable energy program

Any municipality may establish a sustainable energy program to facilitate the use of energy efficiency and renewable energy. The area encompassing the energy program in a municipality may be all or part of the municipal jurisdiction.

A municipality that establishes such a program may issue bonds to finance:

- energy improvements;
- related energy audits; and
- renewable energy system feasibility studies and the verification of the installation of such improvements.

Financing will be secured by special contractual assessments on the qualifying real property.

An owner of qualifying real property who requests financing for energy improvements must:

- have an energy audit or renewable energy system feasibility analysis on the qualifying real property;
- enter into a contractual assessment on the qualifying real property in a principal amount sufficient to pay the costs of energy improvements and any associated costs;
- meet any criteria imposed to ensure that the proposed energy improvements are consistent with the purpose of the program; and
- comply with any requirements and conditions on the financing to ensure timely repayment, including, but not limited to, allowing placement of a lien on the property.

"Energy improvements" are defined as renovation or retrofitting of qualifying real property to reduce energy consumption, or installation of a renewable energy system to service qualifying real property.

"Qualifying real property" is a single-family or multifamily residential dwelling or a nonresidential building that a municipality has determined can benefit from energy improvements.

Residential Heating Finance Program

The Department of Energy and Environmental Protection is required to establish a residential heating equipment financing program that will allow residential customers to finance the installation of energy efficient natural gas or heating oil burners, boilers and furnaces, or ductless heat pumps, to replace burners, boilers and furnaces that are not less than seven years old with an efficiency rating of not more than seventy-five per cent, or electric heating systems. To participate in the program established pursuant to this subsection, a customer must have a home energy audit.

Any customer who participates in the financing program may repay the financing as part of the customer's monthly gas or electric bill.

Connecticut electric distribution and gas companies must establish a residential furnace and boiler replacement program, funded by systems benefit charges imposed against all end use customers, to assist customers in funding furnace or boiler equipment replacements. Customers must repay the funds through a monthly charge on their gas or electric bill for a period that is the lesser of (a) the simple payback period of the funds plus two years, or (b) ten years.

Additional information will be available on the [Department's website](#).

The Department is also required to review the current market conditions for combined heat and power systems and to determine the appropriate financial incentives necessary to encourage installation of such systems.

Weatherization Assistance Programs

The Department of Energy and Environmental Protection administers an Energy Assistance Program for residents with an income of 60 percent of the state median income. Priority is given to households that are particularly vulnerable, such as the elderly, persons with disabilities, families with children and high energy users. For multi-family dwellings, at least two-thirds of the tenants must be income-eligible. Landlords of rental applicants may be asked for a landlord contribution of 20 percent of the material cost, up to a maximum of \$500 per eligible unit.

Additional information is available at the Department's [website](#).

Solar Hot Water Incentive program

The Connecticut Green Bank offers grants to any customer of Connecticut Light & Power or United Illuminating Company who wishes to install solar hot water systems. Grants are paid through participating contractors.

Grants are restricted to domestic hot water and commercial process water systems only. Grants are intended to support systems that will supply between 50% and 80% of a customer's annual domestic or process hot water needs.

The program will change to one that relies primarily on attractive financing options in the summer of 2012. Additional information, and a list of participating contractors, is available on the [program website](#).

Other

Some local utility companies provide rebates for the purchase of energy-efficient products.

Statutory sections 16-243i and 6-243j amended 2011; §§ 12-412k amended 2007; §§ 16a-40b, -40l amended 2014; § 16-1, -245n amended 2014; §§ 12-81 and 12-412 amended 2014; regulatory section effective 1981; § 16-243v amended 2013; website history unknown.

[Conn. Gen. Stat. §§ 12-81, -412\(117\)\(A\), -412k; 16-1\(a\)\(40\); -243i, -243j, -245n; -243v\(k\); 16a-40b, -40l \(2015\); Conn. Agencies Regs. § 16a-14-202 \(2015\)](#)

Connecticut, Transactional requirements

ENERGY RETROFIT REQUIREMENTS

No relevant provisions were located.

ENERGY AUDITS

No provisions requiring energy audits upon transfer were located.

Note that participants in the Department of Energy and Environmental Protection energy conservation service program must provide or arrange for low-cost energy audits.

ENVIRONMENTAL INSPECTIONS

A home inspector in Connecticut explicitly need not inspect the following, among numerous other items:

- geological, geotechnical, or hydrological conditions;
- erosion control and earth stabilization measures;
- solar water or space heating systems; or
- for the presence of any environmental hazards, including but not limited to, toxins, carcinogens, noise, and contaminants in soil, water, or air.

A home inspector also need not report on the identification of any hazardous substances, environmental issues, or biohazards. However, an inspection may include radon, asbestos, lead paint, and lead solder.

ENERGY USE DISCLOSURES

Generally, the transferor of real property must deliver a written disclosure statement on a state-mandated form, which does not require energy use disclosures.

OTHER RELEVANT PROVISIONS

No other relevant provisions were located.

Statutory section 16a-46 amended 2005; regulation amended 2008; disclosure form dated 2015.

[Conn. Gen. Stat. § 16a-46 \(2015\)](#); [Conn. Agencies Regs. §§ 20-491-3 to -13 \(2015\)](#); [Conn. Dep't of Consumer Protection, Residential Property Condition Disclosure Report \(2015\)](#)

Delaware

Delaware, Code adoptions

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

In 2014 Delaware adopted the 2012 International Energy Conservation Code (IECC), with [amendments](#), which became fully effective November 11, 2014. The 2012 version of the IECC is available for purchase from the [International Code Council](#).

Commercial energy code

Effective November 11, 2014, the 2012 IECC, with [amendments](#), and ASHRAE Standard 90.1-2010 became the commercial energy code for Delaware.

The 2012 version of the IECC is available for purchase from the [International Code Council](#).

LOCAL OPTIONS FOR CODES

Unless otherwise provided by statute, the codes referenced above are mandatory statewide. Enforcement and compliance with the energy code is determined at the local level and varies depending on the locality.

Statutory section 7601 amended 2006; § 7602 amended 2009; websites history unknown.

[Del. Code Ann. tit. 16, §§ 7601, 7602 \(2015\)](#); [U.S. Dep't of Energy, Energy Efficiency & Renewable Energy, Building Energy Codes Program: Delaware DOE Status of State Energy Codes \(last visited Oct. 20, 2015\)](#); *see generally* [Div. of Energy and Climate, Building Energy Code webpage \(last visited Oct. 20, 2015\)](#)

Delaware, Incentives and Tax Credits

STATE TAX INCENTIVES

No relevant provisions were located.

TAX CREDITS FOR PURCHASE OR SALE

No relevant provisions were located.

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

No relevant provisions were located.

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

No relevant provisions were located.

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

Green Energy Program incentives

The Delaware Green Energy Program (DGEP) provides cash incentives for the installation of renewable energy systems. Programs are available through Delmarva Power, the Delaware Electric Cooperative, and municipal providers. The work must be performed by a participating contractor or a contractor that "is capable of becoming approved" for the program. Technologies available for grants generally include:

- photovoltaics;
- solar water heating;
- geothermal; and
- wind.

Green Energy Fund incentives are exempt from state taxation.

For additional information regarding the DGEP programs, including details regarding eligible technologies, programs offered by each electricity provider, application materials, and a list of DGEP participating contractors, see the links available on the [Delaware Energy and Climate Division](#) website.

Home Performance with ENERGY STAR®

Energize Delaware offers homeowners rebates for energy efficiency improvements. Rebates are offered for comprehensive improvements that are based on an energy audit.

Examples of eligible improvements include:

- high-efficiency heating and cooling systems;
- high-efficiency gas tankless water heaters;
- high efficiency electric heat pump water heaters;
- attic and wall insulation;
- air sealing, duct sealing, and duct repair; and
- appliances & lighting.

All applicants for rebates must have an energy audit. For additional information, see link [here](#).

Home Energy Loans

Energize Delaware offers homeowners participating in the Home Performance with ENERGY STAR® PROGRAM home energy loans of \$1,000 to \$25,000 at a 5.99% interest rate. An energy audit is a prerequisite to participation. Additional information is available [here](#).

Solar Renewable Energy Credit (SREC) Upfront Purchase Program

This program, created in 2014, provides an upfront payment of \$.45/watt (\$450/kW) in exchange for the first 20 years of solar renewable energy credits (SRECs) created by the system. The program is open to all Delaware sited systems less than or equal to 50kw in size, regardless of the customer's

electric provider. Systems must have a final interconnection date after August 4, 2014 to be eligible and are eligible regardless of grant recipient status.

Any systems that have a long-term contract for their SRECs, including successful bidders in the Delaware SREC Procurement Program, are not eligible for participation in this program. Additionally, systems that take advantage of this program will not be eligible to participate in future Delaware SREC Procurement Program solicitations.

See more about the program [here](#).

Green for Green

The Delaware Sustainable Energy Utility, in partnership with the Delaware Department of Natural Resources and Environmental Control (DNREC) and the Home Builders Association of Delaware, offers rebates for purchasers of newly constructed homes that meet minimum certification requirements under the National Green Building System (NGBS) and Leadership in Energy and Environmental Design (LEED) rating systems. The rebates range from \$3,000 to \$6,000. The amount of the rebate received by a homebuyer depends upon the level of energy efficiency of the home.

In order to qualify for a rebate, a home must be built by a program-approved builder. Rebate applications are submitted by the builder on the home buyer's behalf. Rebates are issued when the home goes to settlement and the home has been verified as meeting the certification requirement corresponding to the rebate amount.

The program is available statewide, except in certain areas in level 4. For additional information, including a map of the excluded areas, see link [here](#).

Due to its success, the program suspended taking of applications on September 1, 2015 in order to obtain additional funding and to review program requirements and benefit levels.

Section amended 2010; website history unknown.

[Del. Code Ann. tit. 29, § 8057 \(2015\)](#)

Delaware, Transactional requirements

ENERGY RETROFIT REQUIREMENTS

No relevant provisions were located.

ENERGY AUDITS

No relevant provisions were located.

ENVIRONMENTAL INSPECTIONS

No relevant provisions were located.

Note that Delaware's mandatory Seller's Disclosure of Real Property Condition Report requires numerous disclosures based on the seller's knowledge of environmental hazards.

ENERGY USE DISCLOSURES

No specifically relevant provisions were located. Generally, the transferor of real property must deliver a written disclosure statement on the state's Seller's Disclosure of Real Property Condition Report form, which does not require energy use disclosures.

OTHER RELEVANT PROVISIONS

Solar Energy Restrictions

Private covenants, restrictions, or conditions in a deed, contract, or other legal instrument that prohibit or restrict a property owner from using a roof- or ground-mounted system for obtaining solar energy are prohibited. This restriction does not apply to:

- instruments concerning land owned by a maintenance corporation or a homeowner's association;
- conservation or historic preservation covenants; or
- any covenants in existence before January 1, 2010, although existing restrictions may be amended with a two-thirds vote of property owners.

Wind Energy Restrictions

A homeowner association or association formed for the management of commonly owned elements and facilities for regulating use of private property may not adopt any "covenant, restriction, deed restriction, zoning restriction, or subdivision restriction" that prohibits or restricts a property owner from using a system for obtaining wind energy for a residential single family dwelling unit. Any such restriction adopted after August 8, 2009, is void and unenforceable.

Statutory section 8060 enacted 2009; § 2578 amended 2015; § 318 amended 2010; form approved 12/01/13.

[Del. Code Ann. tit. 6, § 2578; tit. 29, § 8060; tit. 76, § 318 \(2015\); Del. Real Estate Comm'n, Seller's Disclosure of Real Property Condition Report; Seller's Disclosure of Real Property Condition- New Construction Only](#)

District of Columbia

District Of Columbia, Code adoptions

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

Effective March 28, 2014, the District of Columbia adopted 11 of the 2012 ICC Codes and the NFPA's 2011 NEC with very minor, mostly administrative changes, deletions, and/or additions set forth in the [2013 District of Columbia Construction Codes Supplement, 12 DCMR, Subtitles A through L](#). The District of Columbia Residential Energy Conservation Code (2013), referred to as the "Energy Conservation Code," consists of the 2012 edition of the International Energy Conservation Code (IECC).

The 2012 IECC is available for purchase from the [International Code Council](#).

Commercial energy code

Effective March 28, 2014, the District of Columbia adopted 11 of the 2012 ICC Codes and the NFPA's 2011 NEC with very minor, mostly administrative changes, deletions, and/or additions set forth in the [2013 District of Columbia Construction Codes Supplement, 12 DCMR, Subtitles A through L](#). The District of Columbia Commercial Energy Conservation Code (2013), referred to as the "Energy Conservation Code," consists of the 2012 edition of the International Energy Conservation Code (IECC).

The 2012 IECC is available for purchase from the [International Code Council](#). The ASHRAE standards are available for purchase [here](#).

LOCAL OPTIONS FOR CODES

The District's energy codes are mandatory district-wide in residential and commercial construction.

Code supplement adopted 2014; website history unknown.

[U.S. Dep't of Energy, Energy Efficiency & Renewable Energy, Building Energy Codes Program: D.C. DOE Status of State Energy Codes \(last visited Oct. 20, 2015\)](#)

District Of Columbia, Incentives and Tax Credits

STATE TAX INCENTIVES

No relevant provisions were located.

TAX CREDITS FOR PURCHASE OR SALE

No relevant provisions were located.

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

No relevant provisions were located.

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

The D.C. Department of Energy and Environment offers free energy audits for homeowners under its Weatherization Assistance Program.

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

Solar Advantage Plus Program

The Solar Advantage Plus Program provides rebates to help low-income District residents install solar panels on their homes. The program covers the full cost to install solar panels on single-family homes owned or rented by low-income District residents. The program operates on a first-come, first-served basis and rebate fulfillment is dependent on funding availability. Additional information is available [here](#).

Renewable Energy Incentive Program

The District Department of Energy and Environment provides rebates to eligible applicants to assist in the installation of a solar photovoltaic or wind turbine renewable energy system.

Solar thermal incentives are based on a flat rate percentage of 20% of the total system cost, capped at \$2,000 for residential installations and \$6,000 for nonresidential ones.

If funding is available, photovoltaic incentives are, based on the combined system rating, as follows:

- \$1.50 for each of the first 3,000 installed watts of capacity;
- \$1.00 for each of the next 7,000 installed watts of capacity; and
- \$0.50 for each of the next 10,000 installed watts of capacity.

Rebates for all systems are capped at a maximum of \$10,000 (at 20 kilowatts capacity or greater) for each applicant site per program year.

Weatherization Assistance Program

The Weatherization Assistance Program (WAP), funded by the U.S. Department of Energy, provides technical and financial assistance to help low-income District residents reduce their energy bills by making their homes more energy efficient. WAP performs energy audits and installs audit-recommended energy efficiency measures to help residents maintain energy-efficient, safe and healthy homes. In the District, WAP is administered through selected Community Based Organizations that hire local contractors to install the energy efficiency measures recommended by the energy audit. Additional information is available [here](#).

Sustainable Energy Trust Fund

The District's "Clean & Affordable Energy Act of 2008" establishes a Sustainable Energy Trust Fund, which is used to fund numerous sustainable energy programs, including renewable energy incentive programs and energy efficiency programs administered by the electric company.

The act also establishes an Energy Assistance Trust Fund, which is used to fund

- existing low-income programs; and
- the Residential Aid Discount.

National Capital Energy Fund loans (PACE Program)

The D.C. Council enacted legislation in 2010 to establish the National Capital Energy Fund. The Fund was established to make energy efficiency loans to residential or commercial property owners for the initial costs of energy efficiency improvements.

Eligible improvements include:

- insulation in walls, roofs, floors, and foundations and in heating and cooling distribution systems;
- storm windows and doors, multiglazed windows and doors, heat-absorbing or heat-reflecting glazed and coated window and door systems, additional glazing, reductions in glass area, and other window and door system modifications that reduce energy consumption;
- automatic energy control systems;

- heating, ventilating, or air conditioning and distribution system modifications or replacement in buildings or central plants;
- caulking or weather-stripping;
- replacement or modifications of lighting fixtures to increase the energy efficiency of the system without increasing the overall illumination of a building;
- energy recovery systems;
- daylighting systems;
- renewable energy systems; and
- any other modification, installation, retrofit, or remodeling approved as an electric or gas utility cost-savings measure.

Loans are to be paid back over a ten- to twenty-year period through a special property tax assessment on the property. If the property is sold before the loan is repaid, the new owner of the property assumes the obligation to complete the payments.

Additional information is available on the program [here](#).

Statutory sections 8-1774.10, 8-1778.01, and 8-1778.42 amended 2013; §§ 8-1774.10 and 8-1774.11 amended 2011.

[D.C. Code §§ 8-1774.09, .10, .11; 8-1778.01, .42 \(2014\)](#)

District Of Columbia, Transactional requirements

ENERGY RETROFIT REQUIREMENTS

No relevant provisions were located.

ENERGY AUDITS

No relevant provisions were located.

ENVIRONMENTAL INSPECTIONS

No relevant provisions were located.

Note that the District's mandatory Seller's Property Condition Statement requires some disclosures based on the seller's knowledge of environmental hazards.

ENERGY USE DISCLOSURES

Generally, the transferor of residential real property must deliver a written disclosure statement on the form provided in D.C. Mun. Regs. tit 17, § 2708, which does not require energy use disclosures.

OTHER RELEVANT PROVISIONS

No other relevant provisions were located.

Statutory section 42-1302 enacted 1999; § 42-1301 amended 2008; regulation amended 2007.

[D.C. Code § 42-1302 \(2014\)](#); see also [D.C. Code § 42-1301\(b\) \(2014\)](#); [D.C. Mun. Regs. tit. 17, § 2708.13 \(2015\)](#)

Florida

Florida, Code adoptions

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

Florida has developed its own residential building energy code as part of the 2014 Florida Building Code. See [Florida Building Code 5th Edition \(2014\) Energy Conservation](#). The energy standards are

as stringent as the 2012 International Energy Conservation Code, and are mandatory statewide. The Department of Business and Professional Regulation adopts, revises, updates, and maintains the Florida Energy Conservation Standards.

Florida's building codes are available [here](#).

Commercial energy code

Florida has developed its own commercial building energy code as part of the 2014 Florida Building Code. See [Florida Building Code 5th Edition \(2014\) Energy Conservation](#). The code meets or exceeds the American Society of Heating, Refrigerating and Air-Conditioning Engineers standard 90.1-2010.

Florida's building codes are available [here](#).

LOCAL OPTIONS FOR CODES

The Florida Building Code is mandatory statewide in residential and commercial construction. The Florida Building Commission may not accept a petition for waiver or variance from the Florida Building Code's requirements. However, certain local amendments to the Florida Building Code are accessible through links [here](#).

Statutory section 553.954 amended 2011; § 120.80 and 553.73 amended 2014; website history unknown.

[Fla. Stat. §§ 120.80\(16\); 553.73, .954 \(2015\); U.S. Dep't of Energy, Energy Efficiency & Renewable Energy, Building Energy Codes Program: Florida DOE Status of State Energy Codes \(last visited Oct. 19, 2015\)](#)

Florida, Incentives and Tax Credits

STATE TAX INCENTIVES

Renewable energy equipment sales tax exemption

The Florida sales and use tax refunds for "equipment, machinery and other materials" used for renewable energy technologies expired July 1, 2010.

Renewable energy production tax credit

Florida offers a corporate tax credit of \$.01 per kilowatt hour for electricity that corporations produce and sell to unrelated parties at a new or expanded Florida renewable energy facility. The credit may be claimed for electricity produced and sold on or after January 1, 2013. Beginning in 2014 and continuing until 2017, each taxpayer claiming a credit under this section must apply to the Department of Agriculture and Consumer Services by the date established by the Department for an allocation of available credits for that year.

In this context, "renewable energy" means "electrical, mechanical, or thermal energy produced from a method that uses one or more of the following fuels or energy sources":

- hydrogen;

- biomass;

- solar energy;

- geothermal energy;

- wind energy;

- ocean energy;

- waste heat; or
- hydroelectric power.

Solar energy systems equipment sales tax exemption

The retail sale of solar energy systems and their components are exempt from Florida's sales and use tax. A list of eligible equipment and a recommended exemption document are available [here](#), and [here](#), respectively.

TAX CREDITS FOR PURCHASE OR SALE

No relevant provisions were located.

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

Renewable energy property tax exemption

Florida provides a renewable energy source property tax exemption. The increased value of real property attributable to installation of a renewable energy source device on or after January 1, 2013 may not be considered in determining the assessed value of new or existing residential property. Such devices include any of the following equipment that collects, transmits, stores or uses solar, wind or geothermal energy:

- solar energy collectors, photovoltaic modules, and inverters;
- storage tanks and other storage systems, excluding swimming pools used as storage tanks;

- rockbeds;
- thermostats and other control devices;
- heat exchange devices;
- pumps and fans;
- roof ponds;
- freestanding thermal containers;
- pipes, ducts, refrigerant handling systems, and other equipment used to interconnect such systems; but not conventional backup systems of any type;
- windmills and wind turbines;
- wind-driven generators;
- power conditioning and storage devices that use wind energy to generate electricity or mechanical forms of energy;
- pipes and other equipment used to transmit hot geothermal water to a dwelling or structure from a geothermal deposit.

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

No relevant statewide provisions were located. However, some local utility companies provide free energy audits for residential property.

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

Solar rebate program

Florida's Solar Energy System Incentives Program has ended, effective June 30, 2010.

Local option PACE (Property Assessed Clean Energy) funding

Local governments, including counties, municipalities and dependent special districts, are authorized to make loans to homeowners for energy efficiency and conservation improvements, renewable energy improvements, and wind resistance improvements. Loans are repaid by a special property tax assessment on the improved property. Specific qualifying improvements are determined by the local unit of government, and may include:

- air sealing;

- insulation;

- installation of energy-efficient heating, cooling, or ventilation systems;

- building modifications to increase the use of daylight;

- replacement of windows;

- installation of energy controls or energy recovery systems;
- installation of electric vehicle charging equipment;
- installation of efficient lighting equipment; or
- renewable energy improvement that produces electrical, mechanical, or thermal energy from one or more of the following fuels or energy sources: hydrogen, solar energy, geothermal energy, bioenergy, or wind energy.

Loans made to property owners are secured with a lien equal to county taxes and assessments. The total assessment cannot be for an amount greater than 20% of the assessed value of the property. Local governments may pool together with other local governments to finance and administer programs, and a municipality or county may create a dependent special district to administer a PACE program.

Other

Several local utility companies provide loans, grants, and rebates for the purchase of energy-efficient products. Also, Florida law authorizes municipalities and counties to create special districts for financing energy improvements.

Sections 212.08 amended 2015; § 220.193 amended 2012; § 220.192 amended 2010; § 163.08 amended 2014; § 193.624 enacted 2013.

[Fla. Stat. §§ 163.08; 193.624; 212.08\(7\)\(hh\); 220.193 \(2015\)](#)

Florida, Transactional requirements

ENERGY RETROFIT REQUIREMENTS

No relevant provisions were located.

ENERGY AUDITS

No relevant provisions were located related to real estate transactions. (Energy audits are required for some local incentive programs.)

Each utility must offer, or contract to offer, energy audits to its residential customers. The Florida Public Service Commission may extend this requirement to some or all commercial customers. The Commission sets the charge for the audits by rule, which amount may not exceed the actual audit cost.

ENVIRONMENTAL INSPECTIONS

No relevant provisions were located.

ENERGY USE DISCLOSURES

At the request of the prospective purchaser, a builder must disclose each new residential building's energy performance level. Also, "a complete and accurate energy performance level display card" must be

- completed and certified by the builder as accurate and correct before the building is approved for occupancy;
- included as an addendum to each sales contract;
- uniform statewide; and

- at a minimum, list information indicating the unit's energy performance level, be signed by the builder, and list general information about the energy performance level and the code.

A prospective purchaser of real property for occupancy must, at the time of or before purchase, be provided with information regarding the option for an energy-efficiency rating on the building. The information provided must include:

- how to analyze the building's energy-efficiency rating;
- comparisons to statewide averages for new and existing construction of the same class;
- methods to improve the rating; and
- notice that the rating may qualify the purchaser for an energy-efficient mortgage from lenders.

OTHER RELEVANT PROVISIONS

Florida law forbids an ordinance, deed restriction, covenant, declaration or similar binding agreement from prohibiting the use of solar collectors, clotheslines, or "other energy devices based on renewable resources," although certain restrictions may be imposed on homeowners.

Section 553.9085 amended 2011; § 163.04 amended 2008; § 366.82 amended 2015; § 553.996 amended 2013.

[Fla. Stat. §§ 163.04, 366.82\(11\); 553.9085, .996 \(2015\)](#)

Georgia

Georgia, Code adoptions

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

Effective January 1, 2011, Georgia has adopted the 2009 International Energy Conservation Code (2009 IECC) as the state's residential energy code, with 2011 and 2012 amendments.

The relevant codes are available as follows:

- the 2009 IECC is available for purchase from the [International Code Council](#); and
- the 2009 IECC with Georgia amendments is available [here](#).

Commercial energy code

Effective January 1, 2011, Georgia has adopted the 2009 IECC with local amendments as the state's commercial energy code.

LOCAL OPTIONS FOR CODES

Georgia's residential and commercial codes are mandatory statewide.

Statutory section 8-2-20 amended 2004; websites history unknown; code amendments revised 2008 and 2009.

Ga. Code Ann. § 8-2-20(9)(B)(VII) (2015); [U.S. Dep't of Energy, Energy Efficiency & Renewable Energy, Building Energy Codes Program: Georgia DOE Status of State Energy Codes \(last visited Apr. 2, 2013\)](#), [Ga. Dep't of Cmty. Affairs, Planning & Env'tl. Mgmt. Div., Georgia State Supplements & Amendments to the International Energy Conservation Code \(2009 Edition\)](#).

Georgia, Incentives and Tax Credits

STATE TAX INCENTIVES

Biomass sales and use tax exemption

Georgia exempts from its sales and use taxes the sale or use of biomass material used to produce energy that is subsequently sold.

"Biomass material" means organic matter, except fossil fuels, and includes the following:

- "agricultural crops, plants, trees, wood, wood wastes and residues, sawmill waste, sawdust, wood chips, bark chips, and forest thinning, harvesting, or clearing residues";
- wood waste from pallets or other wood demolition debris;
- peanut and pecan shells;
- cotton plants;
- corn stalks; and
- plant matter.

"Biomass material" also includes pellets or other fuels derived from compressed, chipped, or shredded biomass material.

Clean Energy Tax Credit

The Clean Energy Tax Credit provides corporate and personal income tax credits for clean energy property. "Clean energy property" includes the following:

- "solar energy equipment that uses solar radiation as a substitute for traditional energy for water heating, active space heating and cooling, passive heating, daylighting, generating electricity, distillation, desalinization, or the production of industrial or commercial process heat, as well as related devices necessary for collecting, storing, exchanging, conditioning, or converting solar energy to other useful forms of energy";
- Energy Star-certified geothermal heat pump systems;
- specified energy-efficient lighting retrofit projects;
- energy efficient commercial buildings;
- wind equipment required to capture and convert wind energy into electricity or mechanical power, and required related devices; and
- "biomass equipment to convert wood residuals into electricity through gasification and pyrolysis."

The Clean Energy Tax Credit is allowed against income tax for the construction, purchase, or lease of clean energy property that is placed into service in Georgia between July 1, 2008, and December 31, 2014, provided

- the credit must be taken for the taxable year in which the clean energy property is installed and may be taken against income tax (or gross premium tax if the taxpayer is an insurance company), except that the entire credit allowed for 2012, 2013 or 2014 may not be taken for the year in which the property is placed in service but must be taken in four equal installments over four successive taxable years beginning with the year in which the credit is allowed;

- a taxpayer that claims this credit is not be eligible to claim any other credit with respect to the same clean energy property;
- a taxpayer may not take this credit for clean energy property the taxpayer leases from another, unless the taxpayer obtains the lessor's written certification that the lessor will not claim this credit for the same clean energy property; and
- the credits for a taxable year may not exceed the taxpayer's tax liability.

A taxpayer claiming a credit

- may carry forward any unused credit for five years from the close of the taxable year in which the clean energy property was installed; and
- must maintain and make available for inspection any records necessary to determine and verify the credit amount.

A credit against Georgia's income tax is also available to a taxpayer who transports or diverts wood residuals to a renewable biomass qualified facility. The credit amount may not exceed the actual amount certified to the taxpayer by the Georgia Forestry Commission to the taxpayer and is determined on a per tonnage basis.

A taxpayer seeking to claim a tax credit must submit an application to the tax commissioner for tentative approval. The commissioner allows tax credits on a first-come, first-served basis.

The total amount of all tax credits may not exceed an annual limit of \$5,000,000 for each calendar year 2012, 2013, and 2014. The credit amounts for all types of clean energy property placed into service for *other than single-family residential purposes*, may not exceed the lesser of (a) 35 percent of the cost of the solar energy, geothermal heat pump, lighting retrofit, or energy efficient building projects or (b) the following credit amounts:

- for solar energy equipment for solar photovoltaics, other solar thermal electric applications, and active space heating, wind equipment, and biomass equipment, a maximum of \$500,000 per installation;
- for clean energy property related to certain solar energy equipment for domestic water heating, \$100,000 per installation;
- for Energy Star certified geothermal heat pump systems, \$100,000;
- for certain lighting retrofit projects, \$.60 per square foot of the building with a maximum of \$100,000; and
- for specified energy efficient buildings, the "sum of the cost of energy efficient products installed during construction at \$1.80 per square foot of the building," with a maximum of \$100,000.

For clean energy property placed in service for single-family *residential* purposes, the lesser of 35 percent of the cost or the following:

- \$2,500 per dwelling unit for clean energy property related to certain solar energy equipment for domestic water heating;
- \$10,500 per dwelling unit for clean energy property related to solar energy equipment for solar photovoltaics, other solar thermal electric applications, and active space heating, or to wind energy; and
- \$2,000 per installation for Energy Star certified geothermal heat pump systems.

In this context, "cost" means:

- for clean energy property the taxpayer owns, the "aggregate funds actually invested and expended by a taxpayer to put into service the clean energy property"; and
- for clean energy property the taxpayer leases from another, "eight times the net annual rental rate, which is the annual rental rate paid by the taxpayer less any annual rental rate received by the taxpayer from subrentals."

Links to applicable forms are available at the [Georgia Department of Revenue website](#).

Sales tax holiday

A purchase of Energy Star Qualified Products or WaterSense products with a sales price of \$1,500 or less per product purchased for noncommercial home or personal use on the weekends of October 3 to 5, 2014 and October 2 to 4, 2015 will not be subject to state sales tax.

TAX CREDITS FOR PURCHASE OR SALE

No specifically relevant provisions were located for residential property.

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

No relevant provisions were located.

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

No relevant provisions were located.

Note that the Division of Energy Resources of the Georgia Environmental Facilities Authority has developed a state plan for the Residential Conservation Service, which requires certain utilities to offer home energy audits and related services to residential customers.

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

General

Although no other statewide incentives were located, several local utility companies provide loans and rebates for the purchase of energy-efficient products.

TVA

A few Georgia power distributors participate in the Tennessee Valley Authority's (TVA) Green Power Switch Generation Partners program, which offers production incentives for solar photovoltaics and wind projects to residential and small commercial customers, in addition to incentives for photovoltaics to large commercial customers. Pursuant to the residential and small-commercial contract provisions, TVA purchases 100 percent of the output of a qualifying system. The consumer receives payment in the form of a credit issued by the local power distributor on his or her monthly power bill. Users may also qualify for an additional \$1000 incentive to offset start-up costs.

Qualifying sources for residential and small-commercial projects include photovoltaic and wind turbine systems with a minimum output of 500 watts AC and a maximum output of 50 kilowatts and meet other specified requirements. Payments are guaranteed for 10 years from the signing of the contract.

A current list of TVA distribution utilities in Georgia participating in the program is posted [here](#).

Georgia Power Solar Purchase Program

Georgia Power purchases electricity from solar systems, up to an aggregate capacity of one megawatt. For additional information regarding this program, see link [here](#).

Local option funding

County, city, or town development authorities are authorized to provide loans to finance the installation of renewable energy systems, energy efficiency or conservation improvements, to residential, commercial, industrial, or other qualifying property. The development authority would be required to determine that the project and the use of the project would further the public purpose of the redevelopment authority law.

Section 48-8-3 amended 2015, § 48-7-29.14 amended 2013; other sections amended 2010; website history unknown.

Ga. Code Ann. §§ 36-42-3, -62-2; 46-4A-2; 48-7-29.14, 48-8-3(82)(A) (2015); [Tennessee Valley Authority, Green Power Switch Generation Partners \(last visited Oct. 18, 2015\)](#)

Georgia, Transactional requirements

ENERGY RETROFIT REQUIREMENTS

No relevant provisions were located.

ENERGY AUDITS

No relevant provisions were located.

ENVIRONMENTAL INSPECTIONS

No relevant provisions were located.

ENERGY USE DISCLOSURES

Research located no Georgia statutes or regulations requiring a real estate seller to disclose general information about real property to a prospective buyer. However, commentators have interpreted Georgia's general fraud laws to impose a disclosure duty if information is not equally available to both parties to the transaction.

OTHER RELEVANT PROVISIONS

Georgia law permits easements allowing solar-energy system owners continued access to sunlight.

Section 23-2-53 amended 1933; § 44-9-21 enacted 1978.

Ga. Code Ann. § 44-9-21 (2015); see Ga. Code Ann. § 23-2-53 (2015); Florrie Young Roberts, *Let the Seller Beware: Disclosures, Disclaimers, and "As Is" Clauses*, 31 Real Estate Law Journal 303, 311 (2003)

Guam

Guam, Code adoptions

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

Guam has adopted the Guam Energy Code, which meets or exceeds the 1993 Model Energy Code, as the territory's residential energy code. The Guam Energy Code is available [here](#).

Note that the code requires "piping stubouts" to be provided for water heaters installed in low-rise residential buildings for the future installation of solar collectors.

On January 8, 2013, the Guam Building Code Council approved adoption of the [Guam Tropical Energy Code](#), which must be approved by the legislature. The bill was vetoed on February 13, 2014. A [revised draft](#) of the Guam Tropical Energy Code is under consideration in 2015.

Commercial energy code

Guam has adopted the 2009 International Building Code, with a reference to the 2009 International Energy Conservation Code.

On January 8, 2013, the Guam Building Code Council approved adoption of the [Guam Tropical Energy Code](#), which must be approved by the legislature. The bill was vetoed on February 13, 2014.

LOCAL OPTIONS FOR CODES

Guam's energy codes are mandatory throughout the territory in residential and commercial construction.

Section amended 2010; website history unknown.

[Guam Code Ann. tit. 21, § 67101 \(2015\); U.S. Dep't of Energy, Energy Efficiency & Renewable Energy, Building Energy Codes Program: Guam DOE Status of State Energy Codes \(last visited Oct 18, 2015\)](#)

Guam, Incentives and Tax Credits

INCENTIVES FOR RETROFITTING A HOME

Weatherization Program

The Guam Weatherization program provides services to low-income persons particularly the elderly, people with disabilities, and families with children to reduce their energy cost by providing energy efficient measures to their homes. The program also provides energy conservation education to the homeowner. More information may be found at the Guam Energy Office [website](#).

Guam, Transactional requirements

ENERGY RETROFIT REQUIREMENTS

No relevant provisions were located.

ENERGY AUDITS

No relevant provisions were located.

ENVIRONMENTAL INSPECTIONS

No relevant provisions were located.

ENERGY USE DISCLOSURES

No relevant provisions were located.

Note that no document transferring a real property interest, other than a lease for less than one year, may be recorded until the transferee has signed and acknowledged a statement indicating that the transferee is aware of the availability or non-availability of power and water on the transferred property.

OTHER RELEVANT PROVISIONS

No other relevant provisions were located.

Section amended 1987.

[Guam Code Ann. tit. 21, § 60314 \(2013\)](#)

Hawaii

Hawaii, Code adoptions

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

The Hawaii Building Code Council has adopted the 2009 version of the International Energy Conservation Code (IECC), with [state-specific amendments](#).

Solar water heating requirement for new residential construction

As of January 1, 2010, Hawaii will not issue a building permit for a new single-family dwelling that does not include a solar water heater system that meets specified standards, unless the coordinator approves a variance. The state will approve a variance only if the application is submitted by a licensed architect or mechanical engineer, who attests that:

- installation is "impracticable due to poor solar resource";
- installation is cost-prohibitive based on a life-cycle cost-benefit analysis using the average residential utility bill and the new solar water heater system's cost over a life cycle of no more than 15 years;
- a "renewable energy technology system" is substituted for use as the primary energy source for heating water; or
- an approved "demand water heater device" is installed, provided that at least one other gas appliance is installed in the dwelling.

A "demand water heater" is "a gas-tankless instantaneous water heater that provides hot water" only as needed.

Commercial energy code

Hawaii has adopted the 2009 version of the International Energy Conservation Code (IECC), with [state-specific amendments](#).

LOCAL OPTIONS FOR CODES

Counties in Hawaii may adopt their own variations of the state energy code, so long as they are at least as stringent as the state code. County codes are available [here](#).

Section 196-6.5 amended 2010; website history unknown.

[Haw. Rev. Stat. § 196-6.5 \(2014\)](#); [U.S. Dep't of Energy, Energy Efficiency & Renewable Energy, Building Energy Codes Program: Hawaii DOE Status of State Energy Codes \(last visited Oct. 18, 2015\)](#); [Int'l Code Council, Code Adoptions: Hawaii \(last visited Oct. 18, 2015\)](#)

Hawaii, Incentives and Tax Credits

STATE TAX INCENTIVES

Solar and wind energy credit

Hawaii provides a renewable energy technologies individual and corporate income tax credit. A taxpayer may claim the tax credit for every eligible renewable energy technology system that the taxpayer installs and places in service in Hawaii during a taxable year. Note that a taxpayer is not allowed a credit for solar water heating installations on new home construction authorized by a building permit issued on or after January 1, 2010.

The tax credit amounts vary according to systems and property types.

Effective July 1, 2009,

- the credit amount for each solar energy system equals the lesser of 35 percent of the actual cost or the specified cap amount;
- the credit amount for each wind-powered energy system equals the lesser of 20 percent of the actual cost or the specified cap amount; and

- the credit amount allowed for each eligible renewable energy technology system may not exceed the applicable cap amount specified by statute.

The cap amounts are as follows:

- for solar water heating systems, \$2250 for single family homes or \$350 per unit for multiple-family dwellings;
- for all other solar energy systems, \$5000 for single family homes or \$350 per unit for multiple-family dwellings;
- for wind energy systems, \$1500 for single family homes or \$200 per unit for multiple family dwellings.

Multiple owners of a single system are entitled to a single tax credit, and the tax credit must be apportioned between the owners in proportion to their contribution to the system's cost. In the case of partnerships, S corporations, estates, or trusts, the tax credit is available for every eligible renewable energy technology system that the entity installs and places in service. The system's cost is determined at the entity level, and distribution of the credit is determined as provided by statute.

A "renewable energy technology system" is "a new system that captures and converts a renewable source of energy, such as solar or wind energy, into

- a usable source of thermal or mechanical energy;
- electricity; or
- fuel.

A "solar or wind energy system" is "any identifiable facility, equipment, apparatus, or the like that converts solar or wind energy to useful thermal or electrical energy for heating, cooling, or reducing the use of other types of energy that are dependent upon fossil fuel for their generation."

Any utility rebate amount is deducted from the qualifying system's cost before applying the state tax credit.

If the tax credit exceeds the taxpayer's income tax liability, the taxpayer may use the excess as a credit against the taxpayer's income tax liability in subsequent years until exhausted, unless the taxpayer elects otherwise. Taxpayers must file claims for the tax credit "on or before the end of the twelfth month following the close of the taxable year for which the credit may be claimed."

Tax credits on systems used to obtain a variance from the state's solar water heater requirement are reduced as follows:

- for wind energy systems, the credit is reduced by the lesser of 20 percent of the actual system cost or \$1500; and
- for photovoltaic energy systems, the credit is reduced by the lesser of 35 percent of the actual system cost or \$2250.

The tax credit is refundable under certain conditions. For solar energy systems, a taxpayer may elect to reduce the eligible credit amount by 30 percent. If this reduced amount is greater than the income tax payment due from the taxpayer, the excess credit will be refunded to the taxpayer, provided certain specified conditions are met. For renewable energy systems, the taxpayer may elect to have any tax refunded to the taxpayer if the taxpayer's entire income is exempt or if his or her adjusted gross income is \$20,000 or less (or \$40,000 or less if filing jointly), provided certain other specified conditions are met.

TAX CREDITS FOR PURCHASE OR SALE

No relevant provisions were located.

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

Limited property tax exemption

The value of certain property "actually used for an alternate energy improvement" is exempt from the state's property tax. The exemption applies only to alternate energy improvements that were installed and placed in service after June 30, 1976, but before December 31, 1981. The exemption does not include a building or its structural components, unless alternate energy improvements are incorporated into the building, in which case only that part of the building necessary to the improvement is exempt.

As used in this context, "alternate energy improvement" means "any construction or addition, alteration, modification, improvement, or repair work undertaken upon or made to any building which results in" the following:

- "the production of energy from a source, or uses a process which does not use fossil fuels or nuclear fuels," including, but not limited to, "solid wastes, wind, geothermal, solar, or ocean waves, tides, or currents" or "bio-conversion, hydro-electric power, thermal conversion, or osmosis"; or
- an increased efficiency level in the use of energy produced by fossil fuels or in the use of secondary forms of energy dependent upon fossil fuels.

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

No relevant provisions were located.

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

Appliance rebates

Hawaii Energy offers rebates for the purchasers of certain energy-efficient appliances. The rebates are available only to electric ratepayers on Hawaii, Lanai, Maui, Molokai, and Oahu. Rebates are subject to availability of funds, and are not guaranteed.

Additional information is available on Hawaii Energy's [website](#).

Green Infrastructure Loans

The 2013 Legislature established a green infrastructure loan program, to be administered by the [Hawaii Green Infrastructure Authority](#), to finance the purchase or installation of green infrastructure equipment for clean energy technology, demand response technology and energy use reduction and demand side management infrastructure as authorized by the Public Utilities Commission using the proceeds of bonds and other funds.

"This loan program may include loans made to private entities, whether corporations, partnerships, limited liability companies, or other persons, which entities may lease or provide green infrastructure equipment to electric utility customers, as well as direct loans to electric utility customers, on terms approved by the [Green Infrastructure Authority]." Electric utility customers repay loans and pay for services under the program through on-bill charges.

Section 246-34.7 amended 1985; § 241-4.6 amended 2004; § 235-12.5 amended 2009; §§ 196-61, -62, -63 enacted 2013; website history unknown.

[Haw. Rev. Stat. Ann. §§ 196-61, -62, -63, 235-12.5, 241-4.6; 246-34.7 \(2014\)](#)

Hawaii, Transactional requirements

ENERGY RETROFIT REQUIREMENTS

No relevant provisions were located.

ENERGY AUDITS

No relevant provisions were located.

ENVIRONMENTAL INSPECTIONS

No relevant provisions were located.

ENERGY USE DISCLOSURES

Prior to the sale of residential real property, the property owner must make a good faith declaration of the cost of electricity based on the most recent three-month period in which the property was occupied. This disclosure requirement applies only where the owner directly pays the electrical utility bills.

Generally, a seller's Disclosure Statement is a written statement prepared by the seller, or at the seller's direction, that "purports to fully and accurately disclose" material facts relating to the residential real property being offered that are within the seller's knowledge or control, among others. A "material fact" is a fact, defect, or condition that would reasonably be expected to "measurably affect" the value of the property.

OTHER RELEVANT PROVISIONS

Hawaii law prohibits covenants, contracts, or restrictions that:

- restrict the installation or use of a solar energy system on a single-family residential dwelling or townhouse; and

- prohibit a fee on clotheslines on a residential single-family residential dwelling or townhouse.

No fee or additional charge may be imposed on solar energy devices or clotheslines.

Private associations with covenants, bylaws, or administrative provisions that require compliance from homeowners, such as homeowners' or condominium associations, are required to adopt rules to facilitate the placement of solar energy devices.

Section 508D-10.5 enacted 2009; §§ 508D-1 amended 2013; § 508D-2 amended 1996; § 196-7 amended 2014; § 196-8.5 enacted 2009.

[Haw. Rev. Stat. §§ 196-7, -8.5; 508D-1, -2, -10.5 \(2014\); see also Haw. Rev. Stat. § 508D-3 \(2013\)](#)

Idaho

Idaho, Code adoptions

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

Effective January 1, 2015, Idaho has adopted the 2012 International Energy Conservation Code (2012 IECC) with amendments as the "Idaho Energy Conservation Code." The 2012 IECC is available for purchase from the [International Code Council](#). Idaho amendments are found at [Idaho Admin. Code r. 07.03.01.004 \(2015\)](#).

Commercial energy code

Effective January 1, 2015, Idaho has adopted the 2012 International Energy Conservation Code (2012 IECC), with reference to the American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE) standard ASHRAE 90.1-2007, as the state's nonresidential energy code. The 2012 IECC is available for purchase from the [International Code Council](#), and the ASHRAE 90.1-2007

is available for purchase from [ASHRAE](#). Idaho amendments are found at [Idaho Admin. Code 07.03.01.004 \(2015\)](#).

LOCAL OPTIONS FOR CODES

Pursuant to Idaho statutes, the most recent (2012) version of the IECC is mandatory statewide in residential and commercial construction, but local governments generally may amend by ordinance the adopted codes to "reflect local concerns," provided the amendments establish a level of protection at least equivalent to that of the adopted building code. The International Code Council still indicates the following local adoptions: Acequia, Ada County, Boise, Bonneville County, Caldwell, Clearwater County, Heyburn, Idaho Falls, Jerome County, Lewiston, Meridian, Minidoka, Minidoka County, Paul, Pocatello and Rupert.

Section 39-4109 and 39-4116 and rules amended 2014; website history unknown.

[Idaho Code Ann. §§ 39-4109, -4116](#) (both as amended by [2014 Idaho Laws ch. 248](#)); [U.S. Dep't of Energy, Energy Efficiency & Renewable Energy, Building Energy Codes Program: Idaho DOE Status of State Energy Codes \(last visited Oct. 18, 2015\)](#); [Int'l Code Council Idaho Codes list \(last visited Oct. 18, 2015\)](#); [Div. Of Bldg. Safety, 2015 Building Idaho Statutes and Administrative Rules \(2015\)](#)

Idaho, Incentives and Tax Credits

STATE TAX INCENTIVES

Income tax deduction for insulation

Effective January 1, 2012, Idaho provides a personal income tax deduction related to energy efficiency upgrades for residences. An individual with a home built or under construction, or with a building permit issued, before January 1, 2002, may deduct from his or her taxable income the amount "actually paid or accrued by the individual taxpayer during the taxable year for the actual installation of energy efficiency upgrade measures" within his or her Idaho residence. In this context, "energy efficiency upgrade measure" means "an energy efficiency improvement to the building envelope or duct system that meets or exceeds the minimum value for the improved component established by the version of the international energy conservation code (IECC) in effect in Idaho during the taxable year in which the improvement is made or accrued" including;

- insulation that will be added to existing insulation not in replacement of existing insulation;
- weather stripping and caulking;
- duct sealing requiring mechanical fastening of joints and mastic sealant and duct insulation;
- windows that may replace less efficient existing windows; and
- storm windows.

Residential alternative energy tax deduction

Idaho offers a personal income tax deduction for residential alternative energy devices. An individual taxpayer who installs an alternative energy device to serve his or her Idaho residence may deduct from his or her taxable income the following amounts:

- 40 percent of the amount "properly attributable" to constructing, reconstructing, remodeling, installing, or acquiring an alternative energy device in the year in which the device is completed or acquired and placed in service; and
- 20 percent of that amount per year for the next three successive years.

The deduction may not exceed \$5,000 in any one taxable year.

An individual taxpayer who purchases an Idaho residence served by an alternative energy device for which less than all of the total deduction has been taken, may take the unused balance of the residential alternative energy tax deduction.

An "alternative energy device" is "any system or mechanism or series of mechanisms using solar radiation, wind or geothermal resource . . . primarily to provide heating, to provide cooling, to produce electrical power, or any combination thereof," including

- a fluid-to-air heat pump operating on a fluid reservoir heated by solar radiation or geothermal resource;
- certain natural gas heating units, propane heating units, or wood-burning stoves that meet the most current environmental protection agency certification; and
- certain pellet stoves that meet the most current industry and state standards.

Renewable energy equipment sales tax refund

Effective until July 1, 2011, Idaho offered a sales tax rebate for equipment used in alternative methods of generating electricity. Purchasers of "machinery and equipment used directly in generating electricity using fuel cells, low impact hydro, wind, geothermal resources, biomass, cogeneration, sun or landfill gas as the principal source of power" may qualify for a sales or use tax rebate if the purchaser uses the equipment for a facility capable of generating at least 25 kilowatts of electricity.

"Machinery and equipment" includes "industrial fixtures, devices, and support facilities that are integral and necessary" to generating electricity using, as the principal source of power, the following:

- fuel cells;
- low impact hydro, wind, or geothermal resources;

- biomass;
- cogeneration;
- the sun; or
- landfill gas.

"Machinery and equipment" also include operating property, as described in Idaho Code § 63-3501(h).

"Machinery and equipment" do *not* include:

- hand-powered tools;
- property with a useful life of less than one year;
- most repair and replacement parts;
- buildings; or
- building fixtures that "are not integral and necessary to the generation of electricity."

To qualify for the rebate, the taxpayer and his or her contractors must pay the state's sales and use tax on their purchases. After a public utility, a cooperative, a municipality, or the public utilities commission certifies that the project will generate at least 25 kilowatts of electricity, the taxpayer may file a refund request with the state tax commission. The taxpayer must then file a rebate claim

on or before the last day of the third calendar year following the year in which the taxpayer sought to have the taxes rebated.

The sales and use tax rebate is subject to recapture if the property is not "used, stored or otherwise consumed in the process of generating electricity" for a 60-month period.

TAX CREDITS FOR PURCHASE OR SALE

No specifically relevant provisions were located.

Note that an individual taxpayer who purchases an Idaho residence served by an alternative energy device for which less than all of the total tax deduction has been taken, may take the unused balance of the deduction. (See *Residential alternative energy tax deduction* above.)

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

Property tax exemption for wind and geothermal energy producers

Generally, commercial wind operators and geothermal energy producers, except those regulated by the Idaho Public Utilities Commission, are exempt from paying taxes on their operating property. The following property is exempt:

- operating property "exclusively used to produce electricity by means of wind energy on which the tax on gross wind energy earnings will be paid"; and
- operating property "exclusively used to produce electricity by means of geothermal energy on which the tax on gross geothermal energy earnings will be paid."

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

No relevant provisions were located.

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

Low-interest energy loan programs

The [Idaho Office of Energy Resources](#) administers low-interest loans for energy-efficiency projects and for active solar, wind, geothermal, hydropower, and biomass energy projects. The interest rate on the loans is 4 percent, and the loan term is 5 years. Residential loan amounts range from \$1000 to \$15,000, commercial loans from \$1000 to \$100,000. Generally, loans are available only for retrofit projects. Residential customers may participate in a standard Residential Loan Program or a Home Performance with Energy Star program. Eligible energy efficiency improvements for residential customers include insulation, space heating upgrades, and water-heating system improvements. The Home Performance with Energy Star loan program also provides funds for window and air-conditioning improvements.

As of October 2015, residential loan applicants are charged a \$100 credit analysis fee. The fee for commercial loans is \$250.

Loans for several types of non-residential customers are also available.

Certain additional restrictions apply to these programs. Details regarding the loan programs, including application forms and eligibility details, are available [here](#).

Low-income weatherization

The Weatherization Assistance Program provides certain energy measures to low-income households in order to increase energy efficiency. The program is available to eligible homeowners and renters who meet specified income and nonfinancial eligibility requirements. For additional information regarding the program, see Idaho's Department of Health and Welfare [website](#).

Energy efficient appliance rebates

The Idaho Office of Energy Resources rebate program for the purchase of certain ENERGY STAR® certified appliances closed on March 31, 2011.

Other

Several local utility companies provide loans and rebates for the purchase of energy-efficient products.

Statutory section 63-3022B amended 2013; § 63-3022C amended 2001; §§ 63-3622QQ, 63-3501, and 63-602JJ amended 2008; regulation .151 amended 2000; r. .152 amended 1999.

[Idaho Code Ann. §§ 63-602JJ, -3022B, -3022C, -3501\(h\), -3622QQ \(2015\); Idaho Admin. Code rr. 16.04.14.151, .152 \(2015\)](#)

Idaho, Transactional requirements

ENERGY RETROFIT REQUIREMENTS

No relevant provisions were located.

ENERGY AUDITS

No relevant provisions were located.

ENVIRONMENTAL INSPECTIONS

No specifically relevant provisions were located.

Note that Idaho regulations explicitly provide that if a lien-holder protecting its security interest in a site undertakes or requires an environmental inspection of the site, the lien-holder is not considered to be participating in the site's management pursuant to Idaho's land remediation rules.

Also note that the state's seller's disclosure form and disclosure laws require a seller to disclose whether he or she is aware of any hazardous materials on the property.

ENERGY USE DISCLOSURES

Generally, the transferor of real property improved with one to four dwelling units must deliver a written disclosure statement on either the form provided in Idaho Code § 55-2508 or a form covering similar topics required by statute, neither of which requires energy use disclosures.

OTHER RELEVANT PROVISIONS

Idaho statutes provide that a property owner may obtain a solar easement to ensure that a solar energy device is exposed to sunlight. A solar easement, which must be in writing and is subject to the same conveyancing and recording requirements as other easements, is

- presumed to be attached to the real property on which it was first created; and
- deemed to pass with the property when title is transferred to another owner.

Statutory section 55-615 enacted 1978; § 55-2506 enacted 1994; § 55-2504 amended 1997; § 55-2505 amended 2002; regulation dated 1997.

[**Idaho Code Ann. §§ 55-615, -2504, -2506, -2508 \(2015\); Idaho Admin. Code r. 58.01.18.026.02\(c\)\(ii\)\(1\) \(2015\)**](#)

Illinois

Illinois, Code adoptions

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

Effective January 1, 2013, the Illinois Energy Conservation Code, which incorporates the 2012 IECC, applies to all residential buildings three or fewer stories in height (in Chicago, it applies to all residential buildings four stories or less). This code is mandatory statewide. The Illinois Energy Conservation Code is available [here](#). The 2012 IECC is available for purchase from the [International Code Council \(ICC\)](#). Illinois law now contains an automatic update provision that requires the Illinois Capital Development Board to adopt each subsequent version of the IECC within nine months of its publication, with an effective date three months later.

Commercial energy code

Effective January 1, 2012, the Illinois statewide code for commercial buildings incorporates the 2012 IECC for privately funded commercial buildings and ASHRAE 90.1-2007 for publicly funded commercial buildings. Illinois law now contains an automatic update provision that requires the Illinois Capital Development Board to adopt each subsequent version of the IECC within nine months of its publication, with an effective date three months later.

The Illinois Energy Conservation Code is available [here](#). The 2012 IECC is available for purchase from the [ICC](#), and the ASHRAE 90.1-2007 is available for purchase from [ASHRAE](#).

LOCAL OPTIONS FOR CODES

Secondary sources are somewhat inconsistent regarding local energy code adoptions. A local government unit may not have energy efficient building standards for commercial buildings that are less stringent than the mandatory provisions.

Generally, a local government unit may not adopt energy efficient building standards for residential buildings that are less or more stringent than the state standards, except the following may have more stringent standards:

- a local government unit that has, on or before May 15, 2009, adopted energy efficient building standards for residential buildings that are equivalent to or more stringent than the 2006 IECC;
- a local government unit that has, on or before May 15, 2009, provided to the Capital Development Board, an identification of an energy efficient building code that is equivalent to or more stringent than the 2006 IECC; and
- a municipality with a population of 1,000,000 or more.

Statutory sections amended 2012; regulation amended 2013; websites history unknown.

[20 Ill. Comp. Stat. 3125/15, /45 \(2015\); Ill. Admin. Code tit. 71, § 600.110 \(2015\); U.S. Dep't of Energy, Energy Efficiency & Renewable Energy, Building Energy Codes Program: Illinois DOE Status of State Energy Codes \(last visited Oct. 19, 2015\)](#)

Illinois, Incentives and Tax Credits

STATE TAX INCENTIVES

No relevant provisions were located.

TAX CREDITS FOR PURCHASE OR SALE

No relevant provisions were located.

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

Commercial wind-energy property valuation

For assessment years 2007 through 2016, the "fair cash value of wind energy devices" is determined by "subtracting the allowance for physical depreciation from the trended real property cost basis." The taxpayer may prove "functional and external obsolescence" to reduce the fair cash value of the wind energy device further. Also, wind energy property is not subject to equalization.

More specifically, during the specified period, wind energy devices that are larger than .5 megawatts and produce power for commercial sale will be valued at \$360,000 per megawatt of capacity, as adjusted annually for inflation. This provision does not apply to wind energy devices that are owned by a person or entity otherwise exempt from property taxes.

A "wind energy device" is a "device, with a nameplate capacity of at least 0.5 megawatts, that is used in the process of converting kinetic energy from the wind to generate electric power for commercial sale."

Special assessment for solar energy systems

Illinois provides a special tax valuation of solar energy systems. A property owner may claim an alternate valuation of an installed solar energy system by submitting a claim with the chief county assessment officer. The assessment officer compares the improvement's value as if equipped with a conventional heating or cooling system with its value as equipped with the solar energy system, and the alternate valuation is the lesser of those two amounts.

A "solar energy system" includes

- a "complete assembly, structure, or design of solar collector, or a solar storage mechanism", that uses solar energy to generate electricity or to heat or cool gases, solids, liquids, or other materials;
- the system's design, materials, elements, maintenance, operation, and labor components;

- "necessary components . . . of supplemental conventional energy systems designed or constructed to interface with a solar energy system"; and
- legal, financial, or institutional orders, certificates, or mechanisms "required to ensure continued access to solar energy."

A "solar energy system" does not include

- distribution equipment that is equally usable in a conventional energy system, unless it is necessary for efficient solar energy use; and
- components of a solar energy system that "serve structural, insulating, protective, shading, aesthetic, or other non-solar energy" purposes.

An eligible solar energy system must conform to the Illinois Department of Commerce and Economic Opportunity's standards.

Note that the definition of a "solar collector" includes "passive elements."

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

No relevant statewide provisions were located. However, some local utility companies provide rebates for audits or free energy audits for certain property.

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

Weatherization programs

Illinois offers several weatherization programs which may be accessed at the [DCEO website](#).

Solar and wind energy rebates

The DCEO is authorized to pay rebates for the installation and use of small-scale solar and wind energy systems. Eligible applicants include homeowners and businesses who are customers of an electric or gas utility that impose the Renewable Energy Resources and Coal Technology Development Assistance Charge. The program offers rebates of up to 30% of total project cost for residential and business applicants. The maximum rebate is \$50,000.

Additional information is available [here](#).

Energy Efficient Affordable Housing program

The DCEO also disburses funds from the Energy Efficiency Trust Fund to benefit eligible residential electric customers through projects the DCEO determines will promote energy efficiency in Illinois. This program is open to Illinois-based affordable housing developers building or rehabbing single-family, multi-family, and single-room occupancy (SRO) buildings.

The grant amounts for eligible rehabilitation projects are as follows:

- up to \$4500 per unit for multi-family buildings;
- up to \$4.50 per square foot of SRO living space for buildings that will result in fewer than 80 units; and
- up to \$4.25 per square foot of SRO living space for buildings that will result in 80 units or more.

The grant amounts for new construction projects are as follows:

- up to \$4000 per unit for new single-family homes;
- up to \$6500 per building for new duplex construction;
- up to \$7500 per building for new "3-flat" construction;
- up to \$8500 per building for new "4-flat" construction;
- up to \$11,000 per building for new "6-flat" construction;
- up to \$4.25 per square foot of living space in new SRO and multi-family buildings containing fewer than 80 units; and
- up to \$4 per square foot of living space in new SRO and multi-family buildings containing at least 80 units.

The recipient may also receive an administrative fee of up to \$750 per grant.

The recipient must use the grant funds to offset the additional material and labor costs required to include energy efficient measures in residential construction. Eligible expenditures include items such as:

- insulation;

- upgraded windows;
- lighting;
- Energy Star appliances; and
- "materials and labor to include air-sealing work, ventilation systems and upgrades to the heating, air conditioning and domestic hot water systems."

For additional information regarding the program, including detailed program guidelines eligibility requirements, and the application form, see the [DCEO website](#). The Legislation authorizing the program is scheduled to be repealed December 12, 2015.

Other programs available through the Energy Efficiency Trust Fund

In addition to funding the Energy Efficient Affordable Housing Construction Program (described above), the DCEO uses the Energy Efficiency Trust Fund for grants, loans, and other incentives "to foster investment in and the development and use of renewable energy resources," including

- energy-efficiency upgrades for low-income residents;
- certain new construction and building retrofits;
- certain window, appliance, and lighting upgrades;
- specified insulation; and
- other approved efficiency measures.

For additional information regarding the DCEO's portfolio of electric efficiency programs, see the [DCEO website](#). The Legislation authorizing the program is scheduled to be repealed December 12, 2015.

Local Option Financing

Illinois municipalities and counties may enter into voluntary agreements with property owners to provide for contractual assessments to finance the installation of renewable energy technologies or energy efficiency upgrades that are permanently fixed to the property. The property owner repays the assessments with his or her property taxes.

Other

Several local utility companies provide rebates for the purchase of energy-efficient products.

Section 5/5-1132 enacted 2010; §§ 200/10-600, 200/10-605, and 200/10-615 enacted 2007; §§ 687/6-4, 687/6-6, and 200/10-5 enacted 2006; § 687/6-3 amended 2008; § 200/10-10 amended 1994; §§ 5/1-1-11 and 200/10-610 amended 2010; websites history unknown.

[20 Ill. Comp. Stat. 687/6-3, -4, -6](#); [35 Ill. Comp. Stat. 200/10-5, -10, -600, -605, -610, -615](#); [55 Ill. Comp. Stat. 5/5-1132](#); [65 Ill. Comp. Stat. 5/1-1-11 \(2015\)](#)

Illinois, Transactional requirements

ENERGY RETROFIT REQUIREMENTS

No relevant statewide provisions were located.

ENERGY AUDITS

No relevant provisions were located. However, some mortgage loan programs, such as the Illinois Housing Development Authority's Multifamily Rental Housing Mortgage Loan Program, require energy audits.

ENVIRONMENTAL INSPECTIONS

No relevant provisions were located. The items that must be inspected pursuant to the Standards of Practice for home inspectors promulgated by the Illinois Division of Professional Regulation do not include environmental conditions. However, unlike most states that have adopted similar standards, the Illinois Standards of Practice do *not* explicitly list environmental hazards as items that need not be inspected.

ENERGY USE DISCLOSURES

Generally, the transferor of residential real property must deliver a written disclosure statement on the Residential Real Property Disclosure Report set forth at 765 Ill. Comp. Stat. 77/35. That form does not require energy use disclosures.

OTHER RELEVANT PROVISIONS

No deed restrictions, covenants, or similar binding agreements running with the land shall prohibit or have the effect of prohibiting a solar energy system from being installed on property covered by the restriction. A property owner may not be denied permission to install a solar energy system by any entity granted the power or right to approve, forbid, control, or direct alteration of property. The entity may determine the specific location for the installation of a solar energy system on the roof of a building as long as the determination does not impair the effective operation of the system.

The prohibition does not apply to a building taller than thirty feet.

Statutory section 77/35 amended 1999; Public Law 96-1436 enacted 2010; regulation 1410.200 2010 amended 2010; r. 310.911 amended 2007.

[Ill. Admin. Code tit. 68, § 1410.200; tit. 47, § 310.911 \(2015\); 765 Ill. Comp. Stat. Ann. 77/35 \(2015\); 2010 Ill. Pub. L. 96-1436](#)

Indiana

Indiana, Code adoptions

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

On November 2, 2011, Indiana adopted the 2009 IRC with amendments that will make it approximately as stringent as the 2009 IECC. The new residential code became effective on April 5, 2012.

The Indiana amendments are available [here](#).

Commercial energy code

Indiana has adopted the American Society of Heating, Refrigerating and Air-Conditioning Engineers, Inc. (ASHRAE) Standard 90.1, 2007 Edition, as the 2010 Indiana Energy Conservation Code for commercial buildings.

LOCAL OPTIONS FOR CODES

Indiana's energy code is mandatory statewide in residential and commercial construction.

Regulations 19-3-1 through -80 readopted 2007; r. 19-4 adopted 2010; website history unknown.

[675 Ind. Admin. Code 19-4-1 to -11, -4 \(2015\); U.S. Dep't of Energy, Energy Efficiency & Renewable Energy, Building Energy Codes Program: Indiana DOE Status of State Energy Codes \(last visited Oct. 25, 2015\)](#)

Indiana, Incentives and Tax Credits

STATE TAX INCENTIVES

Energy savings tax credit

The energy savings income tax credit against the state's income tax has expired, effective March 1, 2011. Claims received after that date will be denied, and a manual adjustment will be done on the tax forms claiming the credit.

TAX CREDITS FOR PURCHASE OR SALE

No relevant provisions were located.

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

Renewable Energy Property Tax Exemption

Indiana offers a property tax exemption for certain solar energy heating or cooling systems. The exemption applies to owners of real property, or a mobile home that is not assessed as real property, that are equipped with a solar energy heating or cooling system. The amount that may be deducted annually from the assessed value equals the out-of-pocket expenses incurred by the owner or a previous owner of the property for the components and labor involved in installing the system.

Generally, the property owner must file a certified statement with the auditor of the county in which the real property or mobile home is subject to assessment. For real property, the person must file the statement during the year during which the person desires to obtain the deduction. For a mobile home that is not assessed as real property, the person must file the statement during the 12 months before March 31 of the year for which the person desires to obtain the deduction.

The credit applies to equipment used for domestic water or space heating, including pool heating.

Property tax deduction for solar power devices

If a solar power device is installed after December 31, 2011, the owner of real property equipped with such a device that is assessed as a real property improvement may have deducted annually from the assessed value of the property an amount equal to the assessed value of the real property with the device included minus the assessed value without the device. If the solar power device is assessed as distributable property or personal property, the owner of the device may have deducted annually the assessed value of the device.

Hydroelectric or geothermal property tax exemption

Indiana offers a property tax credit for property owners who install a geothermal device or hydroelectric power device on their property. A "geothermal device" is defined as a device that uses heat from the earth to provide hot water, produce electricity, or to generate heating or cooling. A "hydroelectric power device" is a device designed to utilize the kinetic power of moving water to provide mechanical energy or to produce electricity.

The amount that may be deducted annually from the assessed value equals

- the property's assessed value with the device included, minus
- the property's assessed value without the device.

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

No relevant statewide provisions were located.

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

Residential Energy Efficiency Rebate Program

Research located no current references to a statewide Residential Energy Efficiency Rebate Program, which was scheduled to expire on the earlier of April 30, 2009, or the date the funding was exhausted.

Alternative Power and Energy Grants

Indiana's Alternative Power and Energy Grant Program, which provided a matching fund grant to non-profit, public, and commercial entities for the purchase and installation of alternative energy systems that offset fossil fuel usage is no longer accepting applications.

Energy-Efficient Appliance Rebates

The program that offered rebates to single-family homeowners who install Energy Star-rated furnaces, boilers, HVAC systems, and geothermal heat pumps has exhausted its funding. There is no indication when or if the program will resume.

Other

Several local utility companies provide rebates or loans for the purchase of energy-efficient products.

Section 6-3-2-5 enacted 1978; § 6-1.1-12-26 amended 2010; § 6-1.1-12-26.1 enacted 2012; § 4-4-5.2-3 enacted 2004; §§ 6-3.1-31.5-1, -8, -9, -10, -11, -12, and -14 enacted 2007; § 6-3.1-31.5-13 amended 2007; §§ 6-1.1-12-33 and 6-1.1-12-34 amended 2008; § 6-1.1-12-30 amended 2014; § 6-11.1-12-27.1 amended 2012; regulation 2.2-5-1 amended 1987; website histories unknown; Code article 6-3.1-31.5 (energy savings tax credit) repealed 2014.

[Ind. Code §§ 6-1.1-12-26, -26.1, -27.1, -29, -30, -33, -34 \(2015\); 45 Ind. Admin. Code 2.2-5-1 \(2015\); Indiana Office of Energy Development, *Tax Incentives* \(last visited Oct. 25, 2015\).](#)

Indiana, Transactional requirements

ENERGY RETROFIT REQUIREMENTS

No relevant provisions were located.

ENERGY AUDITS

No relevant provisions were located.

ENVIRONMENTAL INSPECTIONS

No specifically relevant provisions were located. Generally, although a home inspection includes a "visual analysis" of most mechanical systems, it explicitly does not include an inspection for the following:

- lead-based paint;
- radon;
- asbestos;
- pesticides;
- treated lumber;
- mold;
- mercury;
- carbon monoxide; and
- other environmental hazards.

Note that the seller's disclosure statement requires some environmental disclosures.

ENERGY USE DISCLOSURES

The transferor of residential real property usually must deliver a written disclosure statement on the form, which does not require energy use disclosures. However, generally, a seller must disclose property "defects" to a potential buyer, and the definition of "defect" includes conditions that would have a "significant adverse effect" on the property's value, among other conditions.

Indiana's [Seller's Residential Real Estate Sales Disclosure](#) form is available online.

OTHER RELEVANT PROVISIONS

Indiana law permits solar easements. The easements must be created by a writing that sets out the vertical and horizontal angles at which the easement extends over the burdened property.

Section 32-21-5-7 amended 2014; 32-23-4-4, and 32-23-4-5 enacted 2002; §§ 25-20.2-2-6 enacted 2003; § 25-20.2-2-7 amended 2014; regulation amended 2006.

[Ind. Code §§ 25-20.2-2-6, -7; 32-21-5-7; 32-23-4-4, -5 \(2015\); 876 Ind. Admin. Code 1-4-2 \(2015\)](#)

Iowa

Iowa, Code adoptions

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

Effective June 1, 2014, Iowa has adopted the 2012 edition of the International Energy Conservation Code (IECC) as the state's residential energy code with amendments available [here](#).

The code as amended above applies to residential construction of "three or fewer stories," but not to the remodeling or renovation of buildings consisting of one or two dwelling units. The IECC is available for purchase from the [International Code Council \(ICC\)](#).

Commercial energy code

Effective June 1, 2014, Iowa has adopted the 2012 edition of the IECC as the state's nonresidential energy code with amendments available [here](#).

The code applies to commercial construction or residential construction of four or more stories, and is available for purchase from the ICC [website](#).

LOCAL OPTIONS FOR CODES

The 2012 IECC is mandatory statewide in residential and commercial construction.

Regulations amended 2014; website history unknown.

[Iowa Admin. Code r. 661-303.2, .3 \(2015\); U.S. Dep't of Energy, Energy Efficiency & Renewable Energy, Building Energy Codes Program: Iowa DOE Status of State Energy Codes \(last visited Oct. 20, 2015\)](#)

Iowa, Incentives and Tax Credits

STATE TAX INCENTIVES

Personal renewable energy production tax credit

Iowa offers production tax credits for energy generated by eligible renewable energy facilities. Pursuant to chapter 476C of the Iowa Code, a production tax credit of \$.015 per kilowatt-hour is available for energy generated and sold by eligible wind energy generators and other renewable energy facilities. The credit may be applied toward the state's personal income tax, business tax, financial institutions tax, or sales and use tax. To qualify for the credit, a renewable energy facility must

- be owned in the majority by specifically defined qualifying owners, which include Iowa residents, family farms, and certain small businesses;
- be approved as eligible; and
- meet other specified requirements.

Chapter 476B provides a similar production tax credit of \$.01 per kilowatt-hour for electricity generated by eligible wind energy facilities, including electricity used for on-site consumption. The tax credit may be applied toward the state's personal income tax, business income tax, financial institutions tax, sales and use tax, or energy replacement generation tax. Although the law previously provided that the wind energy production tax credit was not allowed for any kilowatt-hour of electricity produced on wind energy conversion property for which the owner has claimed or otherwise received Iowa's property tax exemption, the local option special assessment for wind devices, or an exemption from the state's retail sales tax, legislation in 2009 removed this restriction retroactively from the 2008 tax year forward. The 2009 amendment also revised the maximum amount of nameplate generating capacity from 450 megawatts to 150 megawatts.

Several other restrictions may apply. For example, facility owners may not own more than two eligible facilities, and they must have an executed power purchase agreement or interconnection agreement unless the electricity is used for on-site consumption.

Iowa also offers two corporate production tax credit programs that are similar to the personal renewable energy production tax credits described above.

Wind and solar energy equipment sales tax exemption

Iowa exempts from its sales tax the sales price of

- wind energy conversion property or hydroelectricity conversion property to be used as an electric power source;

- "materials used to manufacture, install, or construct wind energy conversion property or hydroelectricity conversion property used or to be used as an electric power source"; and
- solar energy equipment.

Energy replacement generation tax exemption

Iowa offers an exception to its energy replacement generation tax, which is imposed on every person generating electricity, for all energy generated by methane gas conversion property and wind energy conversion property.

TAX CREDITS FOR PURCHASE OR SALE

No relevant provisions were located.

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

Property tax exemption for renewable energy systems

Iowa Code § 441.21(8)(b) provides that the market value added to property by a solar energy system is exempt from the state's property tax for five years. Eligible systems include:

- any "system of equipment capable of collecting and converting incident solar radiation or wind energy into thermal, mechanical or electrical energy and transforming these forms of energy by a separate apparatus to storage or to a point of use which is constructed or installed after January 1, 1978"; or
- any "system that uses the basic design of the building to maximize solar heat gain during the cold season and to minimize solar heat gain in the hot season and that uses natural

means to collect, store and distribute solar energy which is constructed or installed after January 1, 1981."

Methane gas conversion property tax exemption

Pursuant to Iowa Code § 427.1(29), certain methane gas conversion property is exempt from the state's property tax. Legislation passed during the 2009 session revised the definition of "methane gas conversion property" to include property "used in an operation to decompose waste and convert the waste to gas, to collect methane gas or other gases produced as a by-product of waste decomposition and to convert the gas to energy, or to collect waste in order to decompose the waste to produce methane gas or other gases and to convert the gas to energy."

Geothermal heating or cooling system property tax exemption

"The value added by any new or refitted construction or installation of a geothermal heating or cooling system on or after July 1, 2012, on property classified as residential" is exempt from the state's property tax. The exemption is allowed for ten consecutive years and applies to "any value added by the addition of mechanical, electrical, plumbing, ductwork, or other equipment, labor, and expenses included in or required for the construction or installation of the geothermal system, as well as the proportionate value of any well field associated with the system and attributable to the owner."

Special valuation of wind energy devices

An Iowa city or county may pass an ordinance that assesses wind energy conversion equipment at a special valuation for property tax purposes. The valuation levels may start at zero percent of the net acquisition cost in the first assessment year and increase annually by five percentage points to a maximum of 30 percent of the net acquisition cost in the seventh and any successive years. If a city or county has not passed such an ordinance or if the taxpayer fails to file for the special valuation, the system is assessed as described above in *Property tax exemption for renewable energy systems*.

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

No relevant statewide provisions were located. However, several local utility companies provide free energy audits for residential or agricultural property.

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

Alternate energy revolving loan program

The Alternate Energy Revolving Loan Program (AERLP) provides loans to individuals and organizations for the construction of alternate energy production facilities or small hydro facilities in Iowa. An "alternate energy production facility" includes the following:

- solar, wind turbine, waste management, resource recovery, refuse-derived fuel, agricultural crops or residues, or woodburning facilities;
- land, systems, buildings, or improvements that are "located at the project site and are necessary or convenient to the construction, completion, or operation of the facility"; and
- necessary transmission or distribution facilities.

A facility is eligible for no more than \$1,000,000 in loans outstanding at any time. Each loan

- must be for a period not to exceed 20 years;
- bears no interest;
- must be repayable to the fund in installments, as determined by the Iowa energy center; and

- becomes due upon sale of the facility.

If payments are delinquent, the interest accelerates "immediately to the current legal usury limit."

Farmers Electric Cooperative incentive

The Farmers Electric Cooperative offers production incentives to members that install certain wind and solar energy systems. It also offers rebates and grants for a number of alternative energy installations. Details of the Cooperative's programs are available at its [website](#).

Other

Several other local utility companies provide loans and rebates for the purchase of energy-efficient products.

Section 427B.26 enacted 1993; § 476C.2 amended 2011; § 476B.3 amended 2008; and § 476C.1 amended 2014; §§ 423.3, 441.21 amended 2014, 437A.6, 476.46, 476B.4, amended 2009; § 427.1 amended 2014; § 476.42 amended 2014; § 476B.5 amended 2011.

[Iowa Code §§ 423.3\(54\), \(90\); 427.1\(29\), \(38\); 427B.26; 437A.6; 441.21\(8\)\(b\); 476.42, .46; 476B.3, .4, .5; 476C.1, .2 \(2015\)](#)

Iowa, Transactional requirements

ENERGY RETROFIT REQUIREMENTS

No relevant provisions were located.

ENERGY AUDITS

No specifically relevant provisions were located.

The Iowa regulation that previously required certain utilities to provide each new customer, upon his or her request, a copy of any energy program audit of the customer's residence, was rescinded effective January 23, 2008.

ENVIRONMENTAL INSPECTIONS

No relevant provisions were located.

ENERGY USE DISCLOSURES

Iowa's *Residential Property Seller Disclosure Statement* does not require energy use disclosures.

OTHER RELEVANT PROVISIONS

Solar Easements

A property owner may apply to a municipal or county solar access regulatory board for an order granting a solar-access easement. The property owner must file an application before installing or constructing the solar collector.

Section 564A.4 adopted 1981; regulation 193E-14.1 amended 2009; r. 199-28.6 rescinded 2007.

[Iowa Code § 564A.4 \(2015\)](#); [Iowa Admin. Code r. 193E-14.1\(6\) \(2015\)](#)

Kansas

Kansas, Code adoptions

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

Kansas has no statewide standards or codes for residential structures.

Commercial energy code

Kansas has adopted the 2006 International Energy Conservation Code (IECC) as the state's commercial and industrial energy code. The 2006 IECC is available for purchase from the [International Code Council \(ICC\)](#).

LOCAL OPTIONS FOR CODES

The statutory section that adopts the 2006 IECC as the state's commercial and industrial energy code does not "preclude a city or county from adopting or enforcing energy efficiency standards for structures within the jurisdiction of such city or county."

Annually, the Energy Office of the Kansas Corporation Commission surveys counties, and municipalities in those counties, to determine the status of local energy codes. The jurisdiction surveyed were those that collectively account for the vast majority of building permits issued.

See [Kansas Energy Office, "Summary of Kansas Building Codes in 61 Jurisdictions" \(June 2013\)](#).

A few jurisdictions have adopted local codes that are not based on identified standards.

Statutory section 66-1227 amended 2007; Energy Office study date June. 2013; websites history unknown.

[Kan. Stat. Ann. § 66-1227 \(2014\)](#); [U.S. Dep't of Energy, Energy Efficiency & Renewable Energy, Building Energy Codes Program: Kansas DOE Status of State Energy Codes \(last visited Oct. 10, 2015\)](#); [Int'l Code Council, Code Adoptions: Kansas \(last visited Oct. 10, 2015\)](#);

Kansas, Incentives and Tax Credits

STATE TAX INCENTIVES

No relevant provisions were located.

TAX CREDITS FOR PURCHASE OR SALE

No relevant provisions were located.

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

Renewable Energy Property Tax Exemption

Kansas exempts from its property taxes all "property actually and regularly used predominantly to produce and generate electricity" using renewable energy resources or technologies. In this context, "renewable energy resources or technologies" include the following:

- wind;
- solar;
- photovoltaic;
- biomass;

- hydropower;
- geothermal; and
- landfill gas.

Personal property "actually and regularly used predominantly to collect, refine or treat landfill gas or to transport landfill gas from a landfill to a transmission pipeline, and the landfill gas produced therefrom" are also exempt.

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

No relevant statewide provisions were located. However, a local utility company may provide a free energy audit under certain circumstances.

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

Parallel Generation Contracts

Every utility which provides retail electric services in Kansas must enter into a contract for parallel generation service with any person who is a customer of such utility, if such customer is a residential customer and owns a renewable generator with a capacity of 25 kilowatts or less, or is a commercial customer and owns a renewable generator with a capacity of 200 kilowatts or less.

Every such contract must include provisions relating to fair and equitable compensation for energy supplied to the utility by such customer. A utility may credit such compensation to the customer's account or pay it to the customer at least annually or when the total compensation due equals \$25 or more.

A customer-generator of any investor-owned utility may enter into such a contract or utilize the Net Metering and Easy Connection Act.

Midwest Energy How\$mart Energy Efficiency Finance Program

Pursuant to the How\$mart on-bill financing program, Midwest Energy will pay the initial cost of energy efficiency improvements made by its residential and small commercial electricity and natural gas customers in good standing. The utility recoups the cost of these improvements through a surcharge on the customer's bill. The surcharge will never exceed 90 percent of the projected energy savings associated with the improvements.

In order to participate in the program, customers must first have an energy audit to identify cost-effective improvements that the customer may then have completed by a participating contractor. The audit will be free of charge if the customer participates in the program or if no cost-effective measures are identified. Customers who elect not to participate will be billed for the audit.

See [here](#) for additional details.

Other

Some other local utility companies provide loans and rebates for the purchase of energy-efficient products.

Section 79-201 amended 2009; § 66-1,184 amended 2014.

[Kan. Stat. Ann. §§ 79-201](#) (amended by [2015 Kan. Laws S.B. 91](#)); [66-1,184 \(2014\)](#)

Kansas, Transactional requirements

ENERGY RETROFIT REQUIREMENTS

No relevant provisions were located.

ENERGY AUDITS

No relevant provisions were located.

ENVIRONMENTAL INSPECTIONS

No relevant provisions were located.

ENERGY USE DISCLOSURES

Except as provided in § 66-1228(b) (regarding structures that are subject to specified federal disclosure requirements), a person building or selling a "previously unoccupied new residential structure" that has one to four family units must disclose to the buyer or prospective buyer, upon request or before signing the contract and before closing if changes have occurred or are requested, "information regarding the thermal energy efficiency of the structure." For new residential structures that are "completed and suitable for occupancy, but unsold," the builder or seller must make the completed disclosure available to the buyer or prospective buyer when the residence is shown and at any other time upon request. The disclosure must be made on a [form](#) prepared and disseminated by the state Corporation Commission.

OTHER RELEVANT PROVISIONS

Kansas statutes allow parties to enter into solar easement contracts to ensure a solar energy device has adequate exposure to the sun. The easement must be

- in writing; and
- recorded with the appropriate register of deeds.

Section 58-3801 enacted 1977; § 66-1228 amended 2007.

[Kan. Stat. Ann. §§ 58-3801; 66-1228 \(2014\)](#)

Kentucky

Kentucky, Code adoptions

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

The 2013 Kentucky Residential Code (Aug. 2013) (2013 KRC), which is based on the 2012 International Residential Code (IRC), has adopted the 2009 International Energy Conservation Code (IECC), effective January 1, 2014. Amendments to the 2013 KRC, approved in February 2014, have a compliance date of October 1, 2014.

The 2013 KRC is available from the Kentucky Department of Housing, Buildings and Construction at its [website](#). The 2012 IRC is available for purchase from the [International Code Council \(ICC\)](#).

Commercial energy code

The 2013 Kentucky Building Code (2013 KBC), adopts the 2009 International Energy Conservation Code (IECC) by reference. Mandatory compliance began on January 1, 2014. Amendments to the 2013 KBC adopting the 2012 IECC have a compliance date of April 1, 2015.

The 2013 KBC is available [here](#). The IBC and the 2012 IECC are available for purchase from the [ICC](#).

LOCAL OPTIONS FOR CODES

Generally, local jurisdictions are required to follow the statewide energy provisions.

Kentucky housing department website updated 2015; DOE and ICC websites histories unknown.

[Kentucky Dep't of Housing, Buildings & Construction \(last visited Oct. 19, 2015\)](#); [U.S. Dep't of Energy, Energy Efficiency & Renewable Energy, Building Energy Codes Program: Kentucky DOE Status of State Energy Codes \(last visited Oct. 19, 2015\)](#); [Int'l Code Council, Code Adoptions: Kentucky \(last visited Oct. 21, 2015\)](#)

Kentucky, Incentives and Tax Credits

STATE TAX INCENTIVES

Energy efficiency and renewable energy tax credits

Kentucky offers three income tax credits for installing energy efficiency products on residential and commercial property. The credits apply for taxable years beginning after December 31, 2008, and before January 1, 2016.

Residential upgrades

This credit applies if the taxpayer installs one or more of the eligible items in a Kentucky dwelling that the taxpayer owns and uses as:

- the taxpayer's principal residence; or
- a single-family or multifamily residential rental unit.

The credit amount equals 30 percent of the installed costs of:

- upgraded insulation, not to exceed \$100;

- energy-efficient windows and storm doors, not to exceed \$250; or
- qualified energy property, not to exceed \$250.

The total of these credits may not be greater than \$500 per taxpayer.

Solar or wind power

This credit applies against a taxpayer's personal or corporate tax, if the taxpayer installs one or more of the eligible items on

- a Kentucky dwelling unit; or
- Kentucky property that the taxpayer owns and uses as commercial property.

The tax credit amount equals 30 percent of the installed costs of:

- an active solar space-heating system;
- a passive solar space-heating system;
- a combined active solar space-heating and water-heating system;
- a solar water-heating system; and

- a wind turbine or wind machine.

In the alternative, the credit may equal \$3 per "watt direct current (DC) of rated capacity of a solar photovoltaic system."

The total of these tax credits may not exceed:

- \$500 per taxpayer, if the system is installed on a Kentucky dwelling that the taxpayer owns and uses as his or her principal residence, or a single-family residential rental unit; or
- \$1000 per taxpayer if the system is installed on Kentucky property the taxpayer owns and uses as a multifamily residential rental unit or commercial property.

Other systems for commercial property

The third credit applies if one or more of the following is installed on commercial property in Kentucky that the taxpayer owns:

- an energy-efficient interior lighting system; and
- an energy-efficient heating, cooling, ventilation, or hot water system.

This amount of this tax credit equals 30 percent of the installed costs of:

- an energy-efficient interior lighting system, not to exceed \$500 per taxpayer; and
- an energy-efficient heating, cooling, ventilation, or hot water system, not to exceed \$500 per taxpayer.

The total of these tax credits may not exceed \$1000 per taxpayer.

The term "commercial property" does not include single-family or multifamily residential units.

All three tax credits apply in the tax year in which the taxpayer completes the installation. If the taxpayer cannot use the entire credit in the year in which the taxpayer completes the installation, the taxpayer may carry the tax credit forward one year. The tax department may request copies of invoices, purchase receipts, installation contracts, proof of installer's certification, and any other information it deems necessary to verify a credit.

If a taxpayer has taken the Energy Star home or manufactured home tax credit (provided pursuant to Ky. Rev. Stat. § 141.437 and describe below in "TAX CREDITS FOR PURCHASE OR SALE"), the tax credits described above do not apply.

"Qualified energy property" includes the following, provided it meets specified performance, quality, and certification standards:

- an electric heat pump water heater;
- an electric heat pump;
- a "closed loop," "open loop," or "direct expansion" geothermal heat pump;
- a central air conditioner;
- a natural gas, propane, or oil furnace or hot water heater;
- a hot water boiler, including outdoor wood-fired boiler units; and

- an advanced main air circulating fan.

See Ky. Stat. § 141.435 for additional definitions that provide details regarding eligible systems.

Sales Tax Exemption for Large-Scale Renewable Energy Projects

Kentucky's "Incentives for Energy Independence Act" provides incentives for companies that, "in a carbon capture ready manner, construct, retrofit, or upgrade facilities" to

- increase alternative transportation fuel production and sale;
- increase "the production and sale of synthetic natural gas, chemicals, chemical feedstocks, or liquid fuels, from coal, biomass resources, or waste coal through a gasification process"; or
- generate electricity for sale through "alternative methods such as solar power, wind power, biomass resources, landfill methane gas, hydropower, or other similar renewable resources."

To qualify for the incentives,

- an "alternative fuel facility or gasification facility that uses oil shale, tar sands, or coal as the primary feedstock" must have a minimum capital investment of \$100 million;
- an "alternative fuel facility or gasification facility that uses biomass resources as the primary feedstock" must have a minimum capital investment of \$25 million; and
- a renewable energy facility must have a minimum capital investment of \$1 million.

The available incentives are as follows:

- an advance disbursement of certain approved post-construction incentives;
- sales and use tax incentives of up to 100 percent of the taxes paid on purchases of tangible personal property used to construct, retrofit, or upgrade an eligible project;
- up to 80 percent of the severance taxes paid on the purchase or severance of coal that is specifically used by an "alternative fuel facility or a gasification facility as feedstock" for an eligible project;
- up to 100 percent of Kentucky's income tax, and its limited liability entity tax, on the income, gross profits, or gross receipts "generated by or arising from the eligible project"; and
- authorization for the company to impose a "wage assessment" of up to four percent of certain employees' gross wages.

The maximum recovery from all of these incentives is 50 percent of an eligible project's capital investment.

If a newly constructed facility that qualifies for the incentives is later upgraded or retrofitted in a manner that would qualify for the incentives, the retrofit or upgrade is deemed to be a separate eligible project, and the retrofit or upgrade must meet the minimum requirements to qualify for incentives.

A company with an eligible project may submit an incentive application before making a capital investment. The application must meet the requirements set forth in § 154.27-030. The tax incentive agreement's terms and conditions must be negotiated between the Kentucky Economic Development Finance Authority and the company. The agreement may include one or more of the incentives and must include the provisions set forth in § 154.27-040.

A "renewable energy facility" means "a facility located in Kentucky that is newly constructed on or after August 30, 2007, or an existing facility located in Kentucky that is retrofitted or upgraded after August 30, 2007, and that, after the new construction, retrofit, or upgrade," uses:

- wind power, biomass resources, landfill methane gas, hydropower, or other similar renewable resources to generate more than one megawatt of electricity for sale to unrelated entities; or
- solar power to generate more than 50 kilowatts of electricity for sale to unrelated entities.

Sales Tax Exemption for Manufacturing Facilities

Kentucky provides a sales or use tax refund on energy-efficiency products used at manufacturing plant. A qualified "energy efficiency project" is "a project undertaken by a person engaged in manufacturing whereby the person purchases new or replacement machinery or equipment that reduces the consumption of energy or energy-producing fuels in the manufacturing process" at a Kentucky plant facility by at least 15 percent, while maintaining or increasing the number of units produced. The exemption does *not* apply to

- windows, lighting, or other building improvements; or
- repair, replacement, and spare parts.

The manufacturer must file an application for preapproval with the Department of Revenue before purchasing the new or replacement machinery or equipment.

TAX CREDITS FOR PURCHASE OR SALE

Kentucky offers an income tax credit for the construction of an Energy Star home or the sale of an Energy Star manufactured home for taxable years beginning after December 31, 2008, and before January 1, 2016. The credit is available to a taxpayer who

- builds a new Energy Star home in Kentucky for use as a principal residence; or
- sells a new Energy Star manufactured home to a buyer who uses that home as a principal residence in Kentucky.

The tax credit equals:

- \$800 if the taxpayer builds an Energy Star home; or
- \$400 if the taxpayer sells an Energy Star manufactured home.

The credit applies in the tax year in which the taxpayer completes construction of the home or sells the manufactured home.

This tax credit does *not* apply if:

- another taxpayer has taken the tax credit on the same home or manufactured home; or
- the taxpayer has taken the energy efficiency tax credits (as provided by Ky. Rev. Stat. § 141.436 and described above in "STATE TAX INCENTIVES").

The Department of Revenue may request

- verification of the Energy Star label placed on the home;

- documentation that the buyer is using the home as a principal residence; and
- any other information the department determines is necessary to verify the tax credit.

An "Energy Star" home is a "single-family residence that qualifies for and receives the ENERGY STAR label under the ENERGY STAR Program administered by the United States Environmental Protection Agency." An "Energy Star manufactured home" is a manufactured home that meets the requirements for an "ENERGY STAR label under the ENERGY STAR Program administered by the United States Environmental Protection Agency."

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

Energy Project Assessment Districts

The Energy Project Assessment District (EPAD) Act of 2015 authorizes local governments to establish EPADs within which energy projects may be undertaken and financed through the imposition of a property tax assessment on the property on which the work is done. The owner of record of real property within an EPAD, other than residential property consisting of fewer than five units, may request that an assessment be imposed on the property which assessment will be used to repay the owner's financing of an energy project and costs of upgrades to the electrical or gas distribution system connected to the property necessary to accommodate the energy improvement. Financing may be provided by a third party or by any local government.

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

No relevant statewide provisions were located. However, some local utility companies provide free energy audits for residential property.

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

KY Home Performance

KY Home Performance is a partnership between the Kentucky Housing Corporation, the Department for Energy Development and Independence, and the Finance Administration Cabinet. The program offers rebates and low-interest loans through private sector partners for energy efficient upgrades.

Eligible improvements are those recommended after an energy assessment. More program information is available [here](#).

Tennessee Valley Authority Green Power Switch

Many Kentucky power distributors participate in the Tennessee Valley Authority's (TVA) Green Power Switch Generation Partners program, which offers production incentives for solar photovoltaics and wind projects to residential and small commercial customers, in addition to incentives for photovoltaics to large commercial customers. Pursuant to the residential and small-commercial contract provisions, TVA purchases 100 percent of the output of a qualifying system. The consumer receives payment in the form of a credit issued by the local power distributor on his or her monthly power bill. Residential users may also qualify for an additional \$1000 incentive to offset start-up costs.

Qualifying sources for residential and small-commercial projects include certain systems with a minimum output of 500 watts AC and a maximum of 50 kilowatts. The systems must also meet other specified requirements.

Payments are guaranteed for 10 years from the signing of the contract.

A current list of TVA distribution utilities in Kentucky participating in the program is posted [here](#).

In addition, several local utility companies provide loans and rebates for the purchase of energy-efficient products.

Statutory sections 141.435, 141.436, 141.437, 154.27-030, and 154.27-040 amended 2010; §§ 154.27-010, 154.27-020 amended 2011; § 139.518 amended 2008; §§ 65.205 to .209 enacted 2015; website history unknown.

[Ky. Rev. Stat. §§ 65.205, .206, .207, .208, .209; 139.518; 141.435, .436, .437; 154.27-010, -020, -030, -040 \(2015\); Tennessee Valley Authority, Green Power Switch Generation Partners \(last visited Oct. 20, 2015\)](#)

Kentucky, Transactional requirements

ENERGY RETROFIT REQUIREMENTS

No relevant provisions were located.

ENERGY AUDITS

No relevant provisions were located.

ENVIRONMENTAL INSPECTIONS

No relevant provisions were located.

Note that the state's seller's disclosure form requires a seller to disclose whether there are any known environmental hazards.

ENERGY USE DISCLOSURES

A real property transferor generally must deliver a completed "Seller Disclosure of Property Condition" form, which is set forth in 201 Ky. Admin. Regs. 11:350(2). The required form does not require energy use disclosures.

OTHER RELEVANT PROVISIONS

Solar Easements

Solar easements may be obtained to ensure access to direct sunlight. The easements

- must be in writing;
- are a real property interest that may be acquired and transferred; and
- are subject to the same recording and conveyancing requirements as other easements.

A solar easement may not be acquired by prescription.

Statutory section amended 1982; regulation amended 2006.

[Ky. Rev. Stat. § 381.200 \(2015\); 201 Ky. Admin. Regs. 11:350 \(2015\)](#)

Louisiana

Louisiana, Code adoptions

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

Effective January 1, 2015, Louisiana adopted the 2012 International Residential Code (IRC), as amended, as the state's residential building code, substituting the requirements of the energy

conservation requirements of the 2009 International Energy Conservation Code (IECC) for those of the 2012 IECC.

The 2012 IRC and 2009 IECC are available for purchase from the [International Code Council \(ICC\)](#). For additional information, [click here](#).

Commercial energy code

Effective July 20, 2011, all commercial buildings, not including low-rise multi-family residential buildings, in Louisiana must meet the requirements of ASHRAE 90.1-2007.

All low-rise (3 stories or less), multi-family residential buildings must meet the requirements of 2009 International Energy Conservation Code (IECC).

The 2009 IECC is available for purchase from the [International Code Council](#), and the ASHRAE 90.1-2007 is available for purchase from [ASHRAE](#). For additional information regarding Louisiana's Commercial Building Energy Conservation Code, [click here](#).

LOCAL OPTIONS FOR CODES

Louisiana's energy codes are mandatory for residential and commercial construction.

Section 1730.45 amended 2012; websites history unknown.

[La. Rev. Stat. § 40:1730.45 \(2015\)](#); [U.S. Dep't of Energy, Energy Efficiency & Renewable Energy, Building Energy Codes Program: Louisiana DOE Status of State Energy Codes \(last visited Oct. 20, 2015\)](#); [La. Dep't of Natural Resources, Tech. Assessment Div., "Energy Codes" \(last visited Oct. 20, 2015\)](#)

[Louisiana, Incentives and Tax Credits](#)

STATE TAX INCENTIVES

Tax Credit for Solar Electric Systems on Residential Property

Louisiana provides an income tax credit for the purchase and installation of solar electric systems at a single-family detached residence located in Louisiana.

The credit applies if

- a resident individual purchases a newly constructed home with a system already installed; or
- a system is purchased and installed at an existing home.

The system must be sold and installed by a person licensed by the Louisiana Board of Contractors and any system components purchased on or after July 1, 2013 must comply with the federal American Recovery and Reinvestment Act. One tax credit per residence is allowed.

The credit equals 50 percent of the first \$25,000 of each system's cost, including installation costs, that is purchased and installed on or after January 1, 2008 and before July 1, 2015. For systems purchased and installed on or after July 1, 2015 and before January 1, 2018, the tax credit is equal to the lesser of: (1) \$2.00 times the total DC watts of the system; (2) 50% of the cost of purchase and installation; or (3) \$10,000.

For leased systems installed on or after January 1, 2014 and before January 1, 2018, the credit is 38 percent of the first \$20,000. A leased system's eligibility for a tax credit is based on the system's cost per watt and date of purchase as set forth in La. Rev. Stat. § 47:6030.

Credits are granted on a first-come, first-served basis, until the total amount of allowable tax credits for a fiscal year are exhausted. To be eligible for a credit, the system may not be financed by the solar installer or an installer affiliate.

TAX CREDITS FOR PURCHASE OR SALE

Louisiana's tax credit for solar systems on residential property (described above in STATE TAX INCENTIVES) applies in several situations, including when a Louisiana "resident individual" purchases a newly constructed home with a solar energy system already installed. If an individual purchases a newly constructed home with a qualifying system, he or she must claim the tax credit on the return for the taxable year in which the "act of sale of the house takes place."

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

Solar energy system property tax exemption

Equipment attached to an "owner occupied residential building or swimming pool" as part of a solar energy system is considered personal property that is exempt from Louisiana's ad valorem taxation. Assessors may not include the solar energy system's value when assessing the building's or swimming pool's value.

A solar energy system is defined as "any device that uses the heat of the sun as its primary energy source and is used to heat or cool the interior of a structure or swimming pool or to heat water for use within a structure or swimming pool." Solar energy systems, include but are not limited to, systems using

- solar collectors,
- solar cells, and
- passive roof ponds.

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

No relevant provisions were located.

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

Home Energy Loan Program

Louisiana Department of Natural Resources (DNR) administers a Home Energy Loan Program (HELP) that provides homeowners a 5-year loan to improve their home's energy efficiency. The DNR subsidizes, at a low interest rate, one half of the financing, up to a maximum participation (for its half) of \$6000. The participating lender

- sets its own maximum loan amount;
- establishes the interest rate;
- services the loan for the DNR; and
- determines the borrower's credit-worthiness.

To participate,

- the borrower must be a current Louisiana resident;
- the property must be located in Louisiana;

- the homeowner must have an energy rating conducted on his or her home or choose from a list of pre-approved improvements. (If the homeowner chooses the energy-rating option, all of the energy rating's recommendations are eligible for financing, and the HELP loan may finance cost of the energy rating.)

A resident may participate in the HELP program only once. For additional information regarding HELP, including a participating lender list and a pre-approved improvement list, see the [program website](#).

Other

Some local utility companies provide discounts and rebates for the purchase of energy-efficient products.

Statutory section 1706 amended 1994; § 6030 amended 2105.

[La. Rev. Stat. §§ 47:1706 \(2014\); :6030](#) (amended by [2015 La. Laws Act 131](#))

Louisiana, Transactional requirements

ENERGY RETROFIT REQUIREMENTS

No relevant provisions were located.

ENERGY AUDITS

No relevant provisions were located.

ENVIRONMENTAL INSPECTIONS

No specifically relevant provisions were located. Generally, a home inspector must inspect most home systems, but he or she explicitly need not inspect:

- the presence or absence of any suspected or actual adverse environmental condition or hazardous substance, including but not limited to toxins such as asbestos, radon and lead, carcinogens, noise, or contaminants in the building, soil, water, and air;
- geological systems;
- soil conditions;
- the presence or condition of buried fuel storage tanks;
- attached accessories, including but not limited to solar systems, antennae and lightning arrestors;
- solar water heating equipment;
- heat exchangers, humidifiers, dehumidifiers, or electronic air filters;
- solar space heating systems; or
- indoor air quality.

Note that Louisiana's mandatory [*Informational Statement for Louisiana Residential Property Disclosure*](#) requires a seller to disclose certain known environmental hazards.

ENERGY USE DISCLOSURES

Generally, a real property transferor must deliver a written disclosure statement on the [Informational Statement for Louisiana Residential Property Disclosure](#) issued by the Louisiana Real Estate Commission, or a substantially similar form. That form does not require energy use disclosures. However, the seller must disclose all known defects in residential real property, which include, among others, known conditions that have a substantial adverse effect on the property's value.

OTHER RELEVANT PROVISIONS

Right to use solar collectors

Louisiana law prohibits unreasonable interference with a property owner's installation or use of a solar collector. The right to install or use a solar collector does not supersede zoning restrictions, servitudes, or building restrictions which require prior approval for solar collectors. The prohibition is also inapplicable in areas designated as historic districts, historic preservations, or landmarks.

Section 1255 enacted 2010; § 3196 enacted 2003; § 3198 amended 2013; property disclosure form amended 2015; regulations amended 2015.

[La. Rev. Stat. Ann. §§ 9:1255, :3196, :3198 \(2014\)](#); La. Admin. Code tit. 46, part XL, §§ 309—329 (2015)

Maine

Maine, Code adoptions

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

Maine has adopted the 2009 version of the International Energy Conservation Code (IECC) as the mandatory statewide standard for residential buildings. The Maine Uniform Building and Energy Code must be enforced in a municipality that has more than 4,000 residents and that has adopted

any building code by August 1, 2008. Beginning July 1, 2012, the Maine Uniform Building and Energy Code must be enforced in a municipality that has more than 4,000 residents and that has not adopted any building code by August 1, 2008. This mandate does not prohibit the adoption or enforcement of an ordinance of any political subdivision that sets forth provisions for local enforcement of building codes or that sets forth the swimming pool fencing standards, without amendment, contained in Appendix G of the 2nd edition of the 2009 IECC.

The 2009 version of the IECC is available for purchase from the [International Code Council \(ICC\)](#).

Commercial energy code

Maine has established the Maine Uniform Building and Energy Code, using the 2009 versions of the IECC and the American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE) 90.1-2007, among other building codes, as the mandatory standard for commercial buildings. As of July 1, 2010, the uniform code will be enforced in cities and towns with more than 2000 residents that have adopted any building code by August 1, 2008. As of July 1, 2012, the uniform code will be enforced in the rest of the state's cities or towns with more than 2000 residents. Communities with fewer than 2000 residents are exempt.

The 2009 version of the IECC is available for purchase from the [International Code Council](#). ASHRAE standards are available for purchase from [ASHRAE](#).

LOCAL OPTIONS FOR CODES

Effective June 1, 2010, the 2009 IECC is mandatory statewide for residential and commercial buildings. Towns do not have the option of amending the code, but may enact local ordinances regarding enforcement of the code.

Sections 9722 amended 2011; § 9724 amended 2013.

[Me. Rev. Stat. Ann. tit. 10, §§ 9722, 9724 \(2014\)](#); [U.S. Dep't of Energy, Energy Efficiency & Renewable Energy, Building Energy Codes Program: Maine DOE Status of State Energy Codes \(last](#)

[visited Oct. 18, 2015](#)); [Maine DCED, Office of Community Dev., Publications \(last visited Oct. 18, 2015\)](#)

Maine, Incentives and Tax Credits

STATE TAX INCENTIVES

Community wind generator sales and use tax refund

Maine offers a sales and use tax refund for qualified community wind generators that have been certified by the Maine Public Utilities Commission. After certification, the community wind generation project must complete and file an application with Maine Revenue Services. The application form is available [here](#).

A contractor must file the tax refund claim within three years of the date the property is physically incorporated into real property. Community wind generators may apply for the refund if the contractor releases their claim to them.

Generally, qualified community wind power generation projects receive a reimbursement of the sale or use tax paid for tangible personal property that has been physically incorporated into real property that is owned by or sold to a qualified community wind power generator. The property must be used "directly and primarily" for electricity generation by a Maine "community wind power generation facility", which is an "electricity-generating facility at any one site with an instantaneous generating nameplate capacity of not more than 10 megawatts that is powered entirely by wind energy."

TAX CREDITS FOR PURCHASE OR SALE

No relevant provisions were located.

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

No generally applicable rebates, incentive or exemptions were located.

A cogeneration facility is eligible for reimbursement of a portion of its property taxes equal to a fraction with

- a numerator equal to "the total amount of useful energy produced by the facility during the property tax year immediately preceding the property tax year for which a claim is being made that is directly used by a manufacturing facility without transmission over the facilities of a transmission and distribution utility"; and
- a denominator equal to the "total amount of useful energy produced by the facility during the property tax year immediately preceding the property tax year for which a claim is being made."

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

No relevant statewide provisions were located.

Note that HELP loans may be used to finance home energy audits (See OTHER STATE INCENTIVES FOR RETROFITTING A HOME: *Home Energy Loan Program* below.)

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

Residential lighting program

Efficiency Maine's residential lighting program works with retailers statewide to reduce the cost of energy-efficient lighting products. Additional details, including a participating retailer list, are available at the Efficiency Maine [website](#).

Home Energy Savings Program

As of October 2015, homeowners who get a home energy assessment may receive incentives for projects such as home sealant and insulation improvements.

Efficiency Maine offers rebates and loans for energy-saving home improvements that upgrade a home's heating system and/or building envelope. Eligible improvements are those recommended by a participating energy advisor after an energy audit.

Additional information is available from [Efficiency Maine](#).

Solar Energy Rebates

Efficiency Maine offered rebates to homeowners who install solar thermal or photovoltaic systems. As of April 2014, Efficiency Maine Renewable System Rebates for solar and wind projects have been fully allocated, and reservations are no longer being accepted. At this time, there are no plans for future solar/wind rebates.

Wind Energy Rebates

Efficiency Maine offered rebates to property owners who install wind energy systems. As of April 2014, Efficiency Maine Renewable System Rebates for solar and wind projects have been fully allocated, and reservations are no longer being accepted. At this time, there are no plans for future solar/wind rebates.

Central Heating Improvement Program

MaineHousing's Central Heating Improvement Program (CHIP) provides grants to repair or replace central heating systems that serve low-income households. CHIP funds may be used only to repair or replace dangerous, malfunctioning or inoperable heating systems that pose a threat to health and safety.

The maximum grant for a heating system repair or replacement is \$5,000 for owner-occupied homes.

Additional information is available from [MaineHousing](#).

Community-Based Renewable Energy Incentive (repealed effective Dec. 31, 2015)

Effective September 12, 2009, Maine established the Community-based Renewable Energy Pilot Program. The program is intended to encourage the development of locally owned, community-based renewable energy resources. For details, see the Maine Public Utilities Commission rules, which became effective February 13, 2010. Generally, up to 50 megawatts of generating capacity is permitted under the program, and an individual participant's installed generating capacity may not exceed 10 megawatts. Of the 50-megawatts limit, 10 megawatts must be reserved for small program participants that

- have a generating capacity less than 100 kilowatts; or
- are located in the "service territory of a consumer-owned transmission and distribution utility."

An eligible project must also:

- provide documentation of support from the municipality or tribe in which the project will be located;
- be grid-connected;
- be put into service after September 1, 2009; and

- satisfy specified limits on generating capacity.

Program participants will have a choice of one of the following incentive options:

- a long-term contract pursuant to § 3604; or
- a renewable energy credit multiplier pursuant to § 3605.

Efficiency Maine Trust Act

Maine has enacted the Efficiency Maine Trust Act, which will become effective on July 1, 2010. Generally, the act's purpose is to develop, plan, coordinate, and implement state energy efficiency and alternative energy resources programs so as to:

- provide uniform, integrated planning, program design and administration of programs; and
- reduce energy costs and improve the "security of the state and local economies."

The trust administers and disburses funds and coordinates programs to promote energy efficiency and increased use of alternative energy resources in Maine. The trust must plan, design, and administer programs to ensure that:

- funds are spent for "uses consistent with applicable state and federal law";
- programs are consumer-oriented and "serve the multiple needs of energy consumers" in the state;

- programs' effectiveness are maximized by "building up and centralizing expertise, addressing conflicts of interest, mitigating the influence of politics, promoting flexible, timely program management and providing a champion for funding cost-effective energy efficiency";
- the programs' efficiency is maximized; and
- sufficient checks and balances are provided to ensure consistency with public policy and accountability so that the state's energy efficiency programs are "sustainable for the long term."

Property Assessed Clean Energy (PACE) Loans

Maine has authorized certain local governments to establish Property-Assessed Clean Energy (PACE) loan programs. PACE financing allows property owners to borrow money for energy improvements. The amount borrowed is repaid via a special assessment on the property over a period of years.

PACE assessments will be considered subordinate liens, secondary to mortgages. Only homes located within towns that have enacted a PACE ordinance are eligible for the PACE loans.

The following eligibility requirements apply:

- homeowners must have a debt-to-income ratio of 45% or less;
- property taxes and sewer charges must be up to date;
- the property is not subject to a reverse mortgage;

- the property may not have any outstanding notice of default, foreclosure, or delinquency on the mortgage; and
- the homeowner must have at least as much equity in the home as the amount of PACE loan.

Eligible improvements include:

- efficiency technologies that meet or exceed US EPA and Energy Star standards, or other standards approved by Efficiency Maine Trust;
- weatherization improvements approved by the Trust; or
- renewable energy technologies or electric thermal storage systems that meet standards approved by the Trust.

PACE loans are available in more than 173 Maine municipalities and provide up to \$15,000 over 15 years at 4.99% APR on any residential property with one to four living units. Additional information is available [here](#).

Other

At least one local utility company, [Summit Natural Gas](#) provides rebates for the purchase of energy-efficient products. Also, New Generation Energy, a non-profit organization, provides low interest loans for the installation of solar electric and water heating systems in certain communities. For additional information, [click here](#).

Statutory section 2017 amended 2007; § 3603 repealed effective Dec. 31, 2015; §§ 3605 and 10112 enacted 2009; § 3211-C amended 2009 and repealed effective July 1, 2010; §§ 3604, 6652 and 10104 amended 2013; regulations adopted 2010.

[Me. Rev. Stat. Ann. tit. 35-A, §§ 3603, 3604, 3605, 10104; tit. 36, §§ 2017, 6652 \(2014\)](#); 65-407-325 Me. Code R. (2015)

Maine, Transactional requirements

ENERGY RETROFIT REQUIREMENTS

No relevant provisions were located.

ENERGY AUDITS

No relevant provisions were located.

ENVIRONMENTAL INSPECTIONS

No relevant provisions were located.

A residential property seller generally must disclose

- the presence or prior removal of hazardous materials, including asbestos and underground oil storage tanks, on the property; and
- the information developed by the Director of the Bureau of Health regarding arsenic in private water supplies and in treated wood.

ENERGY USE DISCLOSURES

A real estate licensee listing a single-family residential property, multi-family property or commercial property with a residential component, and a licensee when the property is not listed with a brokerage agency must obtain annual consumption per heating system/source (i.e., gallons,

kilowatt hours, cords), which information must be conveyed, in writing, to a buyer prior to or during the preparation of an offer. If such information is not available, that fact must be conveyed.

OTHER RELEVANT PROVISIONS

Solar easements

Maine law permits easements to ensure access to direct sunlight. The easement

- must be in writing;
- is a real property interest that may be acquired and transferred;
- must be recorded and indexed;
- runs with the land; and
- is subject to court decreed abandonment and other limitations provided by law.

An instrument creating a solar easement may include

- a "definite and certain description of the space affected by the easement";
- any terms or conditions under which the solar easement is granted or terminated; and
- a map showing the affected properties and the protected area.

Statutory sections 1401 and 1402 enacted 1981; § 173-A added 2003; § 173 amended 2011; regulation amended 2013.

[Me. Rev. Stat. Ann. tit. 33, §§ 173, 173-A, 1401, 1402 \(2014\)](#); 02-039-410 Me. Code R. §§ 14—18 (2013)

Maryland

Maryland, Code adoptions

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

Maryland's law related to building codes is called the Maryland Building Performance Standards (MBPS). On January 1, 2015, Maryland adopted the 2015 IECC with local adoption and enforcement required by July 1, 2015.

Maryland has also adopted the 2012 International Green Conservation Code (IGCC).

Legislation adopted in 2015 mandates that the Department of Housing and Community Development adopt each subsequent version of the IECC within 12 months after it is issued.

Commercial energy code

On January 1, 2015 Maryland adopted the 2015 International Energy Conservation Code (IECC) as the state's nonresidential energy code without amendment, with local adoption and enforcement required by July 1, 2015. The 2015 IECC is available for purchase from the [International Code Council](#).

Maryland has also adopted the 2012 International Green Conservation Code (IGCC).

LOCAL OPTIONS FOR CODES

Prior to October 1, 2015, each local jurisdiction in Maryland could modify the state codes to suit local conditions with exception to the International Energy Conservation Code (IECC - The Energy Code) and Maryland Accessibility Code (MAC - The Accessibility Code). The Energy Code and the Accessibility Code could be made more stringent but not less by the local jurisdictions. Effective October 1, 2015, local jurisdictions may not adopt amendments to those state codes. The 2015 IECC applies to all buildings and structures statewide.

Section 12-503 amended 2015; § 12-504 repealed 2015; websites history unknown.

[Md. Code Ann., Pub. Util. Cos. § 7-403 \(2015\)](#); [Pub. Safety §§ 12-503, -504 \(2015\)](#); [Maryland Building Performance Standards \(Jan. 1, 2015\)](#); [U.S. Dep't of Energy, Energy Efficiency & Renewable Energy, Building Energy Codes Program: Maryland DOE Status of State Energy Codes \(last visited Oct. 20, 2015\)](#); [International Code Council, Code Adoptions: Maryland \(last visited Oct. 20, 2015\)](#)

Maryland, Incentives and Tax Credits

STATE TAX INCENTIVES

Bio-heating oil tax credit

Maryland permits individuals and corporations to take a \$.03 income tax credit for each gallon of bio-heating oil of at least five percent biodiesel that the taxpayer purchased for space or water heating. The maximum credit is \$500 per year. The taxpayer may not carry over any unused credit to subsequent years. The tax credit is available only for purchases made during the 2008 through 2017 tax years. For additional information, including an application and additional instructions, see the Maryland Energy Administration (MEA) [website](#).

Clean energy production tax credit

Except as otherwise provided, an individual or corporation that receives an initial credit certificate from the MEA may claim a credit against its state income tax equal to \$0.0085 for each kilowatt hour of electricity that the taxpayer

- produces from qualified energy resources at a qualified Maryland facility during the five-year period specified in the initial credit certificate; and
- sells to an unrelated person during the taxable year.

If the electricity is produced from a qualified energy resource that is "cofired at a facility that produces electricity from coal," the credit is \$.005 for each kilowatt hour of electricity produced from the qualified energy resource. The annual tax credit may not exceed one-fifth of the maximum credit amount stated in the initial credit certificate, which must:

- state the maximum credit amount the taxpayer may claim over a five-year period;
- state the earliest tax year for which the taxpayer may claim the credit; and
- expire after the fifth consecutive tax year.

The maximum credit amount for an energy producer equals the lesser of (a) five times the taxpayer's estimated annual tax credit or (b) \$2.5 million. The MEA will approve applications on a first-come, first-served basis. If the allowed credit in any taxable year exceeds the taxpayer's state income tax, the taxpayer may carry forward the unused credit until the end of the tenth taxable year after the taxable year in which the credit arose.

This credit is available to individuals and corporations that build and generate electricity from qualified resources operational on or after January 1, 2006, but before January 1, 2016.

"Qualified energy resources" include "solid, nonhazardous, cellulosic waste material that is segregated from other waste materials and is derived from"

- certain forest-related resources (except old-growth timber);
- "waste pallets, crates, and dunnage and landscape or right-of-way trimmings"; or
- agricultural sources.

It also includes "methane gas or other combustible gases resulting from the decomposition of organic materials from an agricultural operation, or from a landfill or wastewater treatment plant using anaerobic decomposition or thermal decomposition."

For additional information, including guidelines and application forms, see the MEA [website](#).

Sales and use tax exemption for renewable energy equipment

Maryland's state sales and use tax does not apply to the sale of geothermal, solar, or wind energy equipment. "Geothermal equipment" means "equipment that uses ground loop technology to heat and cool a structure." "Solar energy equipment" is equipment that uses solar energy to

- heat or cool a structure;
- generate electricity to be used in a structure; or
- provide hot water for use in a structure.

Solar energy equipment does not include "equipment that is part of a nonsolar energy system or that uses any type of recreational facility or equipment as a storage medium." However, it does include systems that supply electricity to the grid.

Sales and use tax exemption for wood heating fuel

Maryland's sales and use tax does not apply to "wood, wood bark or residue, or refuse-derived fuel used for heating purposes."

Sales and use tax exemption for electricity generated by solar or residential wind energy

The sales and use tax does not apply to a sale of electricity generated by solar energy equipment or residential wind energy equipment owned by an eligible customer-generator.

TAX CREDITS FOR PURCHASE OR SALE

No relevant provisions were located.

See STATE TAX INCENTIVES: *Income Tax Credit for Green Buildings* above for tax incentives that may apply to builders of certain green buildings.

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

High performance building credit

Maryland state law allows counties and municipalities to provide an optional property tax credit for high performance buildings. This credit may be available for a building that

- achieves at least a silver rating according to the U.S. Green Building Council's LEED standards;
- achieves a comparable rating according to another "appropriate rating system"; or
- meets comparable approved green building standards.

The county or municipality determines

- the property tax credit amount;
- the credit's duration;
- criteria and qualifications necessary to receive the credit; and
- any other necessary provisions.

Renewable energy property tax credit

Maryland's property tax code allows a local government to provide a property tax credit for buildings equipped with

- a solar energy device;
- a geothermal energy device; or
- a qualifying energy conservation device.

These devices must be used

- to heat or cool the structure;
- to generate electricity to be used in the structure; or
- to provide hot water for use in the structure.

The county or municipal corporations determines

- the credit amount and duration;
- the definition of solar, geothermal, and energy conservation devices; and
- any other necessary provisions.

Property Tax Exemptions

Generally, solar or wind energy property is not subject to Maryland's real property tax. If no conventional heating and cooling system exists in a building, a solar energy or geothermal heating and cooling system is assessed at no more than the value of a conventional system. If a solar energy or geothermal heating and cooling system is installed in addition to a conventional system in a building, the combined system may be assessed at no more than the conventional system's value. In general, solar hot water, photovoltaic, and wind energy systems are exempt from real property taxes, and solar and geothermal heating and cooling systems receive a special assessment so that their assessed value equals a conventional system.

Residential wind energy equipment is exempt if it is used to generate electricity on the property on which the equipment is located.

In this context, "solar energy property" includes "equipment that is installed to use solar energy to generate electricity to be used in a structure, or provide hot water for use in a structure." It includes property used to generate electricity that is put on the electrical grid.

Rehabilitation Tax Credit

Maryland offers an income tax credit for the rehabilitation of certified historic structures that are high performance buildings. The credit is equal to 25% of the rehabilitation expenses.

A "certified historic structure" is a building that is

- listed in the National Register of Historic Places;
- designated under local law as a historic property and determined to be eligible for inclusion in the National Register of Historic Places;
- located in a historic district listed in, or eligible to be listed in, the National Register of Historic Places, if the building is certified as contributing to the significance of the district; or
- located in a certified heritage area and certified as contributing to the significance of the area.

A "high performance building" is one that

- meets or exceeds the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) gold rating; or

- achieves at least a comparable rating according to a nationally recognized, accepted, and appropriate numeric sustainable development rating system, guideline, or standard.

Sales Tax Holiday

Beginning in 2011, sales of ENERGY STAR® certified products and solar water heaters will be exempt from the sales tax for one weekend every year. The designated weekend is the "Saturday immediately preceding the third Monday in February through the third Monday in February".

The sales tax holiday does not apply to multifuel pellet stoves designed to burn field corn.

Others

Some Maryland counties also offer property tax exemptions or credits for residential dwellings that use solar energy systems.

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

No relevant provisions were located.

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

Clean Energy Grants

The Maryland Energy Administration offers grants to residents who install solar photovoltaic, solar water heating, geothermal heat pump, and wind turbine systems at their residence

The maximum grants are as follows for:

- geothermal heat pump systems: a maximum of \$3000;
- solar water heaters: a maximum of \$500;
- solar photovoltaic systems: a maximum of \$1000;
- wind energy: \$3,000 per kW of capacity, with a maximum grant of \$100,000.

An eligible photovoltaic system must have an installed electricity generation capacity of 20 kilowatts or less. An eligible wind energy system may not have a capacity greater than 750 kW.

Grants for leased solar PV systems in residential market were discontinued on November 14, 2013 due to the overwhelming success of the program.

For additional information, see the MEA's [program website](#).

Home Energy Loan Program

The MEA offers low interest loans to homeowners for projects that increase the energy efficiency of their residences. The minimum loan is \$1,500, and the maximum is \$30,000. Loans are amortize over ten years at an interest rate of 6.99% or 9.99%. Measures typically include insulation and HVAC equipment upgrades, but other improvements, as recommended by an energy auditor, may be made. Windows, doors and appliances are not eligible improvements.

An eligible property must be the applicant's primary residence. Single-family detached homes and townhouses are eligible.

Homeowners must have a complete home energy audit to determine the scope and cost of potential projects in order to qualify for the 6.99% interest rate. If the audit recommends duct sealing and insulation, that work must be completed. Applicants must then enter into a contract with an approved contractor indicating the measures to be completed and the costs of those measures. After the completion of a contract, participants may register and apply for loans.

Additional information is available on the [program website](#).

Clean Burning Wood Stove Grant Program

The Maryland Energy Administration (MEA) provides grants for clean burning wood stoves that displace electric, non-natural gas fossil fuel heating systems or old woodstoves at various incentive levels. This pilot program has been extended indefinitely.

Additional information is available on the [program website](#).

Windswept Grant Program

The MEA offers a Windswept Grant to homeowners, businesses, non-profits and government entities. Windswept grants are calculated based on expected turbine performance at 11 meters per second (approximately 25 miles per hour).

Additional information is available at the [program website](#).

Solar water heating system energy credit

A person who owns and operates a solar water heating system is entitled to a renewable energy credit equal to the amount of energy, converted from BTUs to kilowatt hours, that is generated by the system that is used by the person for water heating. A residential system may not produce more than five solar renewable energy credits in any one year. Specific requirements apply to the on-site meters measuring energy generated and consumed by such systems.

"Solar water heating system" does not include a system that generates energy for the sole purpose of heating a hot tub or swimming pool and may not feed electricity back into the grid.

EmPOWER Low Income Energy Efficiency Program (LIEEP)

The LIEEP, administered by the Maryland Department of Housing and Community Development assists low income households with installation of energy conservation materials in their homes at no charge. To participate in the program household income must be equal to or less than 200% of the federal poverty level.

The program may provide the following improvements:

- insulation in the attic, floors and walls;
- hot water system improvements;
- lighting retrofits;
- furnace cleaning, tuning and safety repairs;
- refrigerator retrofit, if applicable;
- health and safety items.

Additional information is available on the [program website](#).

Regulated Sustainable Energy Contract Program

In 2013, legislation was passed authorizing the Maryland Energy Administration to establish a program for regulated sustainable energy contracts for the installation of residential energy efficiency measures and renewable energy products. The contracts may not exceed \$30,000, must be between a residential property owner and a program-qualified contractor, and must meet the requirements of any such program established by the Administration. During 2014 the Administration is working toward establishment of a pilot program.

Other

Some local utility companies provide rebates for the purchase of energy-efficient products. For more information see the [EmPower Maryland](#) website. Counties and municipalities may also adopt resolutions or ordinances establishing clean energy loan programs. If a local governing body adopts a program, local property owners may opt in to a renewable energy or eligible energy-efficiency loan program and repay the loan through a surcharge on their property taxes.

Section § 11-207 amended 2011; § 9-203 amended 2006; §§ 9-2008, 8-240, 9-2007 and 11-226 amended 2008; §§ 7-242 and 11-230 amended 2009; §§ 5A-303, 10-720, and 10-727 amended 2010; § 9-242 enacted 2004; Poli. Subd. section enacted 2009; Pub. Util. Cos. §§ 7-701, -704 amended 2011; regulations 14.26.04.02, 14.26.04.05, and 14.26.04.06 amended 2011; State Gov't §§ 9-20C-01 to -04 enacted 2013.

[Md. Code Ann., Tax-Prop. §§ 7-242, 8-240, 9-203, 9-242; Tax-Gen. §§ 10-720, 10-727, 11-207, 11-226, 11-230; Pub. Util. Cos. §§ 7-701, -704; State Fin. & Proc. § 5A-303; State Gov't §§ 9-2007, -2008; 9-20C-01, -02, -03, -04 \(2015\); Md. Code Regs. 14.26.04.02, .05, .06 \(2015\)](#)

Maryland, Transactional requirements

ENERGY RETROFIT REQUIREMENTS

No relevant provisions were located.

ENERGY AUDITS

No relevant provisions were located.

ENVIRONMENTAL INSPECTIONS

No specifically relevant provisions were located.

The Maryland Real Estate Appraisers and Home Inspectors Commission has adopted standards that require inspection of most residential systems, unless the client requests that the systems be excluded from the inspection. However, an inspector need *not* inspect:

- geological, geotechnical, or hydrological conditions;
- erosion control and earth stabilization measures;
- solar water heating systems;
- fire and lawn sprinkler systems;
- heat exchangers;
- solar space heating systems;
- for the presence or absence of all manner of biological activity, such as carcinogens, mold, insects, birds, pets, mammals, and other flora and fauna, and their consequent damage, toxicity, odors, waste products, and noxiousness;
- underground items; or

- indoor air quality.

ENERGY USE DISCLOSURES

Generally, the transferor of residential real property must deliver either a written disclosure statement or a written disclaimer. The statement does not require energy use disclosures. See [*Maryland Residential Property Disclosure and Disclaimer Statement \(Aug. 30, 2013\)*](#).

OTHER RELEVANT PROVISIONS

Solar access easements

A land use restriction may not impose "unreasonable limitations on the installation of a solar collector system on the roof or exterior walls of improvements, provided that the property owner owns or has the right to exclusive use of the roof or exterior walls." An "unreasonable limitation" includes one that:

- significantly increases a solar collector system's cost; or
- significantly decreases the system's efficiency.

A property owner who has installed or intends to install a solar collector system may negotiate a solar easement. The easement must be in writing and must include the following:

- a description of the solar easement's dimensions, including "vertical or horizontal angles measured in degrees or the hours of the day on specified dates when direct sunlight to a specified surface of a solar collector system may not be obstructed";

- any restrictions placed on vegetation, structures, and other objects that would impair the passage of sunlight; and
- the terms under which the solar easement may be revised or terminated.

The instrument creating the easement must be recorded.

Statutory section amended 2008; disclosure form amended 2007; regulations amended 2014.

[Md. Code Ann., Real Prop. § 2-119 \(2015\)](#); [Md. Code Regs. 9.36.07.03, .05, .07, .09, .12 \(2015\)](#)

Massachusetts

Massachusetts, Code adoptions

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

Massachusetts adopted the 2009 version of the International Energy Conservation Code (IECC), with Massachusetts amendments, as its residential energy code. The Board of Building Regulations and Standards (BBRS) later adopted the 2012 IECC, which was phased in during 2014 when it became the sole baseline energy code.

The Massachusetts building code allows towns and cities to adopt a more efficient building code, commonly called the "Stretch Code." More information and copies of the codes are available at the BBRS [website](#).

The 2009 and 2012 IECC are available for purchase from the [International Code Council](#). "Unofficial" copies of the Massachusetts amendments are available for download at the [Office of Public Safety](#).

Commercial energy code

Massachusetts adopted the 2009 version of the International Energy Conservation Code (IECC), with Massachusetts amendments, as its commercial building energy code. The Board of Building Regulations and Standards (BBRS) later adopted the 2012 IECC, and ASHRAE 90.1-2010, which was phased in during 2014 when it became the sole baseline energy code.

The Massachusetts building code allows towns and cities to adopt a more efficient building code, commonly called the "Stretch Code." More information and copies of the codes are available at the BBRS [website](#).

The 2009 and 2012 IECC are available for purchase from the [International Code Council](#). "Unofficial" copies of the Massachusetts amendments are available for download at the [Office of Public Safety](#).

LOCAL OPTIONS FOR CODES

The building codes referenced above are mandatory statewide in residential and commercial construction.

Website history unknown.

[U.S. Dep't of Energy, Energy Efficiency & Renewable Energy, Building Energy Codes Program: Massachusetts DOE Status of State Energy Codes \(last visited Oct. 20, 2015\)](#)

Massachusetts, Incentives and Tax Credits

STATE TAX INCENTIVES

Alternative energy and energy conservation patent deduction

Massachusetts provides a corporate excise or personal income tax deduction for alternative energy and energy conservation patents. A taxpayer may deduct from the taxpayer's Massachusetts gross

income certain income derived from United States patents that the Commissioner of Energy Resources approves and that have been issued to (or applied for by) Massachusetts residents for:

- energy conservation and related purposes; or
- alternative energy development and related purposes.

The Commissioner must determine that the patents are "of economic value, practicable, and necessary for the convenience and welfare of the Commonwealth and its citizens." Any income received from the sale, lease, or other transfer of an approved patent, including royalty income and income received from the sale, lease, or other transfer of property or materials manufactured in the Commonwealth subject to the patent, is deductible. The deduction extends for five years from the earlier of the date the patent was issued or the date the commissioner approved the patent.

Corporate excise tax deduction and exemption for solar- or wind-powered systems

Effective for tax years beginning on or after January 1, 2009, when determining net income subject to the Commonwealth's tax on business corporations, the corporation may deduct amounts paid or incurred during the taxable year for the installation of "any solar or wind powered climatic control unit and any solar or wind powered water heating unit or any other type unit or system powered thereby," including installation costs. The unit or system must be located in Massachusetts and must be used exclusively in the corporation's trade or business. The deduction is allowed only

- on the condition that the "net income for the taxable year and all succeeding taxable years be computed without any exemption, credit or deduction for such expenditures or for depreciation of the property other than" this deduction; and
- for a "solar or wind powered climate control unit and any solar or wind powered water heating unit or any other type unit or system powered thereby for which the manufacturer's british thermal unit impact statement has been submitted to the director of the bureau of building construction" and which the director has certified as complying with applicable regulations and standards.

Also, a "solar or wind powered climate control unit and any solar or wind powered water heating unit or any other type unit or system powered thereby" that qualifies for this deduction is exempt from taxation under the tangible property measure of the state's corporate excise tax. This exemption is effective for the length of the system's depreciation period.

Renewable energy equipment sales tax exemption

Massachusetts law exempts from its sales tax "equipment directly relating to any solar, windpowered; or heat pump system, which is being utilized as a primary or auxiliary power system for the purpose of heating or otherwise supplying the energy needs of an individual's principal residence in the commonwealth."

Residential renewable energy income tax credit

Massachusetts provides a 15 percent credit, up to \$1000, against its state income tax for the "net expenditure for a renewable energy source property." In the case of a newly constructed residence, the credit is available to the original owner/occupant. If the credit amount is greater than a resident's income tax liability, the taxpayer may carry forward the excess for up to three years. Eligible technologies include

- solar energy used to heat or cool the dwelling, to provide hot water, or to produce electricity for those purposes; and
- wind-energy systems.

The original use of the system must "begin" with the taxpayer, and the system must "reasonably be expected to remain in operation for at least five years." The credit is available to any residential property owner or tenant. Joint owners of a residential property must share any credit in the same proportion as their ownership interest.

TAX CREDITS FOR PURCHASE OR SALE

No specifically relevant provisions were located.

Note that if the Commonwealth's 15 percent credit (up to \$1000) against the state income tax for the "net expenditure for a renewable energy source property" applies to a newly constructed residence, the credit is available to the original owner/occupant. See details above in STATE TAX INCENTIVES: *Residential Renewable Energy Income Tax Credit*.

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

Renewable energy property tax exemption

A solar- or wind-energy system used as a primary or auxiliary power system to heat or otherwise supply the energy needs of taxable property are exempt from the local property tax for 20 years from the date the system is installed. Hydropower facilities are also exempt from the local property tax for a 20-year period if the system owner enters into an agreement with the city or town to make a payment of at least five percent of its gross income during the preceding calendar year.

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

No-cost home energy assessments are available through a [MassSAVE program](#) that includes single- and multi-family buildings.

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

MassSAVE HEAT loan program

MassSAVE, a residential conservation services program, offers no-interest loans from participating lenders to help residential consumers install qualified energy efficient improvements in their homes. The financing is available to all residential customers who

- own and reside in a one- to four-family residence; and
- obtain a home energy assessment through the MassSAVE Program.

Customers may either apply for an interest-free loan or obtain MassSAVE Program rebates for the installed measures. Loans are available for up to \$15,000 (depending on the utility), with terms up to seven years. Energy efficiency improvements eligible for a HEAT loan include:

- attic, wall, and basement insulation;
- high efficiency heating systems;
- high efficiency domestic hot water systems;
- solar hot water systems;
- Energy Star replacement windows; and
- seven-day programmable thermostats.

Do-it-yourself installations are not eligible for HEAT loans. For additional information, including a list of participating lenders and eligibility requirements, see the MassSAVE [website](#).

MassSAVE also offers rebates to customers building an Energy Star certified home, purchasing certain Energy Star certified or high efficiency equipment, or installing solar thermal systems. The rebates are affiliated with the National Grid program. See the MassSAVE/National Grid [website](#) to access residential programs available by zip code.

Commonwealth Solar Hot Water rebates

The Massachusetts Clean Energy Center (MassCEC) provides rebates for the purchase and installation of solar hot water heating systems. Systems must be professionally installed in one- to four-unit residences. may supplement any fuel type, but systems must serve residences that are located in an electric utility territory that contributes to MassCEC's Renewable Energy Trust Fund, which includes customers served by National Grid, NSTAR, Unitil (Fitchburg Gas and Electric), WMECO or a participating Municipal Light Plant community.

The rebate is \$25 per collector multiplied by the SRCC thermal performance rating of the collectors (Category C, Mildly Cloudy climates). If the system includes Massachusetts Manufactured components from a list of qualified manufacturers, a customer may be eligible to receive an additional \$200.

Rebates are capped at \$3,500 (including the \$200 Massachusetts manufacturer adder) or 25% of the costs of the system. The program will last until the end of 2016,

Additional information is available on the Commonwealth Solar Hot Water [website](#).

Micro Wind rebates

MassCEC offers rebates for the design and construction of customer-sited micro-wind projects. As recently revised, the program's rebates are available for micro wind-energy systems of 99 kilowatts or less that are located at residential, commercial, industrial, institutional, or public facilities served by one of the Commonwealth's investor-owned electric distribution utilities.

The wind-system installer prepares and submits the rebate application. The application must be pre-approved before the system is built. Applications must meet certain specified requirements. An energy efficiency audit is generally required, and the installer must carry insurance.

The rebate is calculated and issued in two payments as follows:

- the first payment, which is made once the system is installed, is based on the wind turbine's "rated capacity at 11 m/s (taken from the system's power curve)";
- the second payment is based on the number of kilowatt hours the system produces during its first year of operation.

This rebate is available on a first-come, first-served basis. For additional technical requirements, guidelines, and application materials, see MassCEC's micro-wind program [website](#).

Solar II and Solar Stimulus Rebate Programs

Massachusetts' Solar II Rebate Program and the Commonwealth Solar Stimulus Rebate Program provide rebates for the installation of photovoltaic projects. The Commonwealth Solar II Rebate Program applies to certain commercial systems up to 5 kilowatts and all residential systems. The program was closed as of January 1, 2015.

Additional information on the Solar II rebates is available [here](#).

Other

Several local utility companies provide loans and rebates for the purchase of energy-efficient products.

In addition, some utilities offer homeowners who are making major renovations assistance in identifying cost-effective energy conservation measure. Details are available [here](#).

Statutory section ch. 63, § 38H amended 2008; ch. 62, § 2 and ch. 64H, § 6 amended 2009; ch. 59, § 5 and ch. 62, § 6 amended 2010.

[Mass. Gen. Laws ch. 59, § 5\(45\), \(45A\); ch. 62, § 2\(a\)\(2\)\(G\), 6\(d\); ch. 63, § 38H; ch. 64H, § 6\(dd\) \(2015\)](#)

Massachusetts, Transactional requirements

ENERGY RETROFIT REQUIREMENTS

No relevant provisions were located.

ENERGY AUDITS

No relevant provisions requiring were located. However, home inspectors are required to provide a document describing the procedures and benefits of a home energy audit to clients who are purchasing a single-family home, a multi-family dwelling with less than five units or a condominium unit in a structure with less than five units.

ENVIRONMENTAL INSPECTIONS

No specifically relevant provisions were located.

Generally, unless the client requests that systems or components be excluded from an inspection, a home inspection must include an inspection of most of the home's systems. However, a home inspector is *not* required to observe or report on the following, among others:

- underground items;
- attached accessories, including solar systems, antennae, and lightening arrestors;
- geological conditions;
- soil conditions;
- electro-magnetic fields;

- on-site or public water quantity or quality; or
- active oil tanks.

Also, inspectors explicitly need *not* perform environmental services, including determining the presence or absence of any micro organisms or suspected hazardous substance, including, but not limited to,

- latent surface or subsurface volatile organic compounds;
- PCBs, asbestos, UFFI, toxins, allergens, molds, carcinogens, lead paint, or radon gas;
- electromagnetic radiation;
- noise, odors and contaminants in soil, water, air, and wetlands; or
- any other environmental hazard.

ENERGY USE DISCLOSURES

No relevant provisions were located.

OTHER RELEVANT PROVISIONS

Solar easements

A property owner may acquire an "easement of direct sunlight" over the land of another by an express grant or covenant or by a solar access permit.

Regulation amended 2008; statutory section amended 1986.

[Mass. Regs. Code tit. 266, §§ 6.01—.08 \(2015\)](#); [Mass. Gen. Laws ch. 187, § 1a \(2015\)](#)

Michigan

Michigan, Code adoptions

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

Effective March 9, 2011, Michigan has adopted the 2009 International Energy Conservation Code (IECC), as amended, as the residential energy code for the state.

The Michigan amendments relate to the following areas:

- alternate materials—method of construction;
- fees;
- climate zones; and
- fenestration.

The Michigan amendments are available on-line [here](#), and the IRC is available for purchase from the [International Code Council](#).

As of October 2015, the Department of Licensing and Regulatory Affairs, Bureau of Construction Codes is in the process of updating the Michigan energy codes.

Commercial energy code

Michigan has adopted the 2009 IECC and "ANSI/ASHRAE/IESNA standard 90.1-2007 . . . including appendices A, B, C, and D" as its energy code for buildings and structures other than residential buildings.

The Michigan code is available [here](#). ASHRAE standards are available for purchase from the [American Society of Heating, Refrigerating and Air-Conditioning Engineers](#).

LOCAL OPTIONS FOR CODES

The 2009 IECC and the ANSI/ASHRAE/IESNA standard 90.1-2007, as both are amended, are mandatory statewide in residential and commercial construction, respectively.

Regulations 408.31087 amended 2010; website history unknown.

[U.S. Dep't of Energy, Energy Efficiency & Renewable Energy, Building Energy Codes Program: Michigan DOE Status of State Energy Codes \(last visited Oct. 20, 2015\)](#)

Michigan, Incentives and Tax Credits

STATE TAX INCENTIVES

Energy-efficient home improvements income tax credit

Effective January 1, 2009, through December 31, 2011, except as otherwise provided, a taxpayer with an adjusted gross income equal to or less than \$37,500 (\$75,000 for a husband and wife filing jointly) who purchases and installs a qualified home improvement for his or her principal residence may claim a credit against his or her income tax equal to the lesser of:

- 10 percent of the amount paid for the purchase and installation of each qualified home improvement; or
- \$75 (\$150 for a husband and wife filing jointly).

A taxpayer may not claim more than one credit for each type of qualified home improvement during the same tax year. If the allowed credit exceeds the taxpayer's tax liability, the state will refund the excess.

A "qualified home improvement" means the following "items intended for residential or noncommercial use that meet or exceed the applicable energy star energy efficiency guidelines developed by the United States environmental protection agency and the United States department of energy":

- insulation;
- furnaces;
- water heaters;
- windows;
- refrigerators;

- clothes washers; and
- dishwashers.

This credit was repealed effective January 1, 2012.

TAX CREDITS FOR PURCHASE OR SALE

No relevant provisions were located.

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

Research located no real property tax rebates, incentives, or exemptions. However, the following personal property tax exemptions may apply.

Biomass gasification and methane digester property tax exemption

Michigan exempts certain property used in agricultural operations from its general property tax, including:

- methane digesters and a methane digester electric generating systems, if the person claiming the exemption complies with several specified requirements;
- biomass gasification systems;
- thermal depolymerization systems; and

- "machinery that is capable of simultaneously harvesting grain or other crops and biomass and machinery used for the purpose of harvesting biomass."

Alternative energy property tax exemption

Alternative energy personal property is exempt from Michigan's general property tax taxes if certain specified conditions are met. The exempt property includes, among others:

- certain alternative energy systems and integrated combinations of alternative energy systems;
- the personal property of an alternative energy technology business; and
- the personal property of a business not engaged in alternative-energy technology that is used solely for the purpose of researching, developing or manufacturing alternative energy technologies.

See § 207.822 for a complete list of eligible technologies. The exemption applies to companies engaged in the manufacture or research and development of alternative energy technologies and nonresidential alternative technology owners. The exemption does not include land and buildings.

This exemption applied to taxes levied before January 1, 2013.

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

No relevant provisions were located.

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

Residential Clean Energy Program

In 2014, the Municipal Utility Residential Clean Energy Program Act authorized municipalities (i.e. a city, village or township whose residents are served by a municipal electric utility) to provide financing for energy efficiency improvements on privately owned residential real property located within the specially established districts within the municipality. Under such a residential clean energy program the municipality may contract with a qualified property owner within a district to finance or refinance one or more energy projects on the property. [Mich. Comp. Laws Ann. § 460.965.](#)

"The financing or refinancing may include the cost of materials and labor necessary for installation, home energy audit costs, permit fees, inspection fees, application and administrative fees, bank fees, and all other fees that may be incurred by the record owner for the installation on a specific or pro rata basis, as determined by the municipality." Such a program may provide for billing municipal electric utility customers the monthly installment payments as a per-meter charge on the electric service bill.

"Energy efficiency improvement" for purposes of program eligibility is broadly defined. See [Mich. Comp. Laws Ann. § 460.963.](#)

Property Assessed Clean Energy (PACE) Program

The Michigan PACE financing program authorizes a local government unit (i.e., county, township, city or village) and an owner of privately owned commercial or industrial real property located within the local government unit to enter into voluntary contractual assessment agreements to finance or refinance installation of energy efficiency improvements that are permanently affixed to the property. A contract may provide for the repayment of the cost of the project through assessments upon the benefited property. "The financing or refinancing may include the cost of materials and labor necessary for installation, permit fees, inspection fees, application and administrative fees, bank fees, and all other fees that may be incurred by the record owner pursuant to the installation on a specific or pro rata basis, as determined by the local unit of government." A broad range of energy efficiency improvements are eligible for financing. See [Mich. Comp. Laws Ann. § 460.933\(b\).](#)

Low-Income and Energy Efficiency Fund

Michigan has created a Low-Income and Energy Efficiency Fund (LIEEF), which

- provides energy assistance to low-income customers;
- provides conservation and efficiency measures to reduce low-income customers' energy use and energy bills; and
- promotes energy efficiency among all customer classes.

As of April 15, 2012 LIEEF grants are no longer available.

Others

No other statewide incentives were located.

Section 211.9i enacted 2002; § 207.822 amended 2006; §§ 211.9 and 460.10d amended 2008; § 206.253 repealed effective Jan 1, 2012; §§ 460.963, .965, .969 enacted 2015.

[Mich. Comp. Laws Ann. § 207.822; 211.9\(1\)\(j\), .9i; 460.10d; 460.933, .935; 460.963, .965, .969 \(2015\)](#)

Michigan, Transactional requirements

ENERGY RETROFIT REQUIREMENTS

No relevant provisions were located.

ENERGY AUDITS

No relevant provisions were located.

ENVIRONMENTAL INSPECTIONS

No relevant provisions were located.

ENERGY USE DISCLOSURES

Generally, the transferor of real property must deliver a written disclosure statement on the form provided in § 565.957, which does not require energy use disclosures. However, a city or county may require additional disclosures or disclosure on a different form.

OTHER RELEVANT PROVISIONS

No other relevant provisions were located.

Sections 565.954 and 565.959 enacted 1993; § 565.957 amended 2005.

[Mich. Comp. Laws Ann. §§ 565.954, .957, .959 \(2015\)](#)

Minnesota

Minnesota, Code adoptions

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

The new residential energy code (Chapter 1322) is based on the 2012 International Energy Conservation Code, with amendments. It is available [here](#).

The 2012 IECC is available for purchase from the [International Code Council](#).

Commercial energy code

The 2012 IECC, with amendments, is mandatory for all new commercial buildings and additions. It is available [here](#).

LOCAL OPTIONS FOR CODES

The Minnesota energy conservation code is mandatory for all new residential and commercial buildings and additions.

Regulatory chapters 1322 and 1323 effective 2015; website history unknown.

[U.S. Dep't of Energy, Energy Efficiency & Renewable Energy, Building Energy Codes Program: Minnesota DOE Status of State Energy Codes \(last visited Oct. 23, 2015\)](#)

Minnesota, Incentives and Tax Credits

STATE TAX INCENTIVES

Solar energy sales tax exemption

Solar energy systems purchased on or after August 1, 2005, are exempt from Minnesota's state sales tax. In this context, "solar energy system" means a set of devices whose primary purpose is

- to "collect solar energy and convert and store it for useful purposes including heating and cooling buildings or other energy-using processes"; or
- to produce generated power by collecting, transferring, or converting solar-generated energy.

Wind energy sales tax exemption

Minnesota exempts from its state sales tax wind energy conversion systems that are used as electric power sources. The exemption extends to materials used to manufacture, install, construct, repair or replace wind energy systems. A "wind energy conversion system" is a device, such as a wind charger, windmill or wind turbine, that converts wind energy to a form of usable energy.

TAX CREDITS FOR PURCHASE OR SALE

No relevant provisions were located.

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

Property tax exemptions

The following are exempt from Minnesota's property tax:

- a wind energy conversion system's real and personal property (except the land on which the property is located remains taxable);
- electric power photovoltaic devices that are used to produce or store electric power;
- for up to five years, certain attached machinery and other personal property, except transmission and distribution lines, that is part of a system that generates biomass electric energy;
- certain machinery and other personal property that is part of a "3.2 megawatt run-of-the-river hydroelectric generation facility" that meets specified requirements;
- certain small biomass electric generation facility personal property; and
- attached machinery and other personal property that is part of an electric generating facility that meets the innovative energy project requirements, among others.

Note that Minnesota imposes a production tax on electricity produced from a wind energy conversion system installed after January 1, 1991. A developer of a new or existing wind energy conversion system may negotiate with the county to establish an alternate payment to take the place of the wind energy production tax.

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

No relevant statewide provisions were located. However, several local utility companies provide rebates of a portion of the cost of energy audits on residential, commercial, or agricultural property.

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

Home Energy Loan Program

Minnesota's Home Energy Loan Program, available through the Center for Energy and Environment (CEE), offers low interest loans to homeowners for energy improvements. The loan terms are as follows:

- the maximum loan amount is \$20,000;
- as of March 15, 2011, the interest rate is fixed at 4.99%; and
- the maximum term is ten years; and

There are no maximum income restrictions. Eligible borrowers must

- own the property or be purchasing it through a mortgage or contract for deed; and
- close on the loan before beginning the project.

Eligible improvements include certain:

- storm windows and storm doors;
- attic air sealing;
- furnaces or boilers;
- air-conditioning units;
- light fixtures;
- insulation; and
- water heaters.

Applicants must provide at least one bid for each project. The structure must be an owner-occupied single-family property.

For additional information, including a link to the loan application form, see the [CEE website](#).

Rental Rehabilitation Loan Program

The Minnesota Housing Finance Agency (MHFA) Rental Rehabilitation Loan Program provides low interest loans for energy conservation and other basic improvements to residential rental properties located in participating Minnesota communities. The contractor making the improvements must send CEE a signed contractor warranty.

The loan terms are as follows:

- an interest rate of six percent;

- a maximum loan amount of \$25,000 for single-family and two-unit structures, and the lesser of \$10,000 per unit or \$100,000 per structure for multi-family structures; and
- a maximum term of 15 years.

There are no income restrictions, but a borrower must have

- good credit and a "good financial standing"; and
- a "demonstrated ability to repay the loan."

Loans greater than \$5000 are evaluated on the basis of the building's revenues, which must show a "positive cash flow after rehabilitation." A mortgage is required on loans greater than \$5000. The structure must contain separate dwelling units and require improvement to meet state energy standards for rental housing. Mixed-use structures are eligible if more than half of the building's total floor area is devoted to residential use and the improvements will primarily benefit the residential portion.

"Most improvements are eligible," including "interior or exterior maintenance or remodeling." Applicants must provide bids for each project. Structures less than 15 years old are eligible only for funds to finance improvements necessary to bring the structure into compliance with the state energy standards for rental housing. Structures more than 15 years old are eligible for other moderate rehabilitation, but they must also be brought into compliance with the energy standards. The funds may not be used to convert property from non-residential to residential use or to construct additional dwelling units.

For additional information, including a link to the program's application form, see the [CEE website](#).

Renewable Energy Production Incentive

Minnesota offers incentive payments to

- a qualified on-farm biogas recovery facility;

- certain hydroelectric facilities;
- the owner or operator of a qualified hydropower facility or qualified wind-energy conversion facility;
- a publicly owned hydropower facility; or
- the owner of a publicly owned dam that is in need of substantial repair.

The applicant must submit an incentive payment application that establishes that the applicant is eligible to receive an incentive payment. The following are eligible:

- electricity generated from a qualified hydroelectric facility that is generating electricity before December 31, 2011, a qualified wind energy conversion facility that is generating electricity before January 1, 2008, or a qualified on-farm biogas recovery facility from July 1, 2001, through December 31, 2017; and
- gas generated from a qualified on-farm biogas recovery facility from July 1, 2007, through December 31, 2017.

The facility may receive payments for 10 years. The incentive payment, which is based on the number of kilowatt-hours of electricity generated, equals \$.01 to \$.015 per kilowatt-hour, depending on the type of facility. Minnesota also issues a payment of \$.01 to \$.015 per kilowatt-hour for electricity generated by new wind-energy projects less than two megawatts in capacity.

A "qualified hydroelectric facility" means a hydroelectric generating facility in Minnesota that:

- is located at a dam site, if the dam existed on March 31, 1994; and
- began generating electricity after July 1, 1994, or after substantial refurbishing of a facility that begins after July 1, 2001.

A "qualified wind energy conversion facility" means a wind energy conversion system in Minnesota that:

- produces two megawatts or less of electricity and began generating electricity after December 31, 1996, and before July 1, 1999;
- begins generating electricity after June 30, 1999, produces two megawatts or less of electricity, and meets specified ownership requirements; or
- begins generating electricity after June 30, 1999, produces seven megawatts or less of electricity, and meets differing specified ownership requirements.

For additional information, see Minn. Stat. § 216C.41.

Minnesota energy loans

The Neighborhood Energy Connection (NEC) offers low-interest loans for qualified energy improvements to Minnesota residences. Loans are available for single-family homes, duplexes, and quads. To qualify, the household's income may not exceed \$96,600. The maximum loan amount is \$35,000, and the fixed interest rate is 5.75 percent.

In order to be eligible for a loan, qualified homeowners must contact the NEC to schedule an energy audit and the financed projects must include at least one of the auditor's recommendations.

For more information, including the application form, the contractor warranty form, additional eligibility requirements, and details regarding the application process, see the [NEC website](#).

Renewable energy equipment grants

Minnesota's Renewable Energy Equipment Grant Program funds the installation of equipment using renewable energy sources in low-income families' homes. The program provides grants for purchasing and installing the following renewable energy systems:

- solar air panels that have a Solar Rating Certification Corporation certification; and

- biomass equipment, including wood-fired appliances and wood pellet stoves that meet EPA Phase II emissions standards.

Recipients must meet the eligibility guidelines for the state's energy assistance program.

For additional information see the program's [website](#).

Rental Energy Loan Fund

Minnesota's Rental Energy Loan Fund provides low interest loans to owners of residential rental properties for energy conservation improvements. The program is not restricted to low-income owners, and entities may qualify. Borrowers own the property or be purchasing it through a mortgage or contract for deed. Eligible structures must contain at least one rental dwelling unit and must have been built before May 1, 1989.

The loan terms are as follows:

- an interest rate of four percent;
- a maximum loan amount of \$10,000;
- a maximum term of five years; and
- no penalty for prepayment.

Additional information, including the program's application, is available at the [CEE website](#).

Property Assessed Clean Energy (PACE) Financing

Effective 2010, Minnesota law authorizes municipal and county governments to offer residents loans for energy-conservation and renewable energy improvements. Any type of property is eligible for the loans, provided that the improvements to be made will be cost-effective. "Cost-effective energy improvements" are "energy improvements that have been identified in an energy

audit or renewable energy system feasibility study as repaying their purchase and installation costs in 20 years or less, based on the amount of future energy saved and estimated future energy prices."

Loans are repaid as a special property tax assessment on the property. Loan terms may not exceed twenty years, and loans may not be greater than 10% of the assessed value of the property or the actual cost of installing the improvements, whichever is less. The interest rate for the loans must be set at a rate "sufficient to pay the financing costs of the program".

A financing program must:

- impose requirements and conditions on financing arrangements to ensure timely repayment;
- require an energy audit or renewable energy system feasibility study to be conducted on the qualifying real property and reviewed prior to approval of the financing;
- require the inspection of all installations and a performance verification of at least ten percent of the energy improvements financed by the program;
- require that all cost-effective energy improvements be made to a qualifying property prior to, or in conjunction with, the repayment of financing for energy improvements;
- not prohibit the financing of all cost-effective energy improvements not otherwise prohibited by the governing law;
- have energy improvements financed by the program performed by licensed contractors;
- require disclosures to borrowers of the risks involved in borrowing, including the risk of foreclosure if a tax delinquency results from a default;

- provide financing only to those who demonstrate an ability to repay;
- require that participating owners be current on mortgage or property tax payments;
- require a petition by all owners of the qualifying real property requesting collections of repayments as a special property tax assessment;
- provide that payments and assessments are not accelerated due to a default and that a tax delinquency exists only for assessments not paid when due; and
- require that liability for special assessments related to the financing runs with the property.

"Made in Minnesota" Solar Thermal Rebates

Pursuant to 2013 legislation, the Commissioner of Commerce is directed to operate a program to provide rebates for the installation of "Made in Minnesota" solar thermal systems in the state. "Solar thermal system" is a flat plate or evacuated tube that meets the requirements of Minn. Stat. § 216C.25 "with a fixed orientation that collects the sun's radiant energy and transfers it to a storage medium for distribution as energy to heat or cool air or water." A solar thermal system is "Made in Minnesota" if components of the system are manufactured in Minnesota and the system is certified by the Solar Rating and Certification Corporation. The system may be installed in residential and commercial facilities for, among other purposes, hot water, space heating, or pool heating purposes.

The maximum rebate:

- for a single-family residential dwelling installation is the lesser of 25% of the installed cost of a complete system or \$2,500;

- for a multiple-family residential dwelling installation is the lesser of 25% of the installed cost of a complete system or \$5,000; and
- for a commercial installation is the lesser of 25% of the installation cost of the complete system or \$25,000.

The system must be installed by a factory authorized installer. The Commissioner must allocate approximately 50% of the rebates each year to solar thermal hot water and 50% to solar thermal air projects if sufficient applications are made for each. Recipients of incentives are to be selected at random.

Other

Numerous local utility companies provide loans, grants, or rebates for the purchase of energy-efficient products.

Sections 216C.435 amended 2013; § 216C.06 amended 1997; § 272.028 amended 2002; §§ 297A.67 and 272.02 amended 2014; §§ 216C.41, .436 amended 2014; §§ 272.02, 272.029, amended 2014; § 297A.68 amended 2015; § 216.416 enacted 2013.

[Minn. Stat. §§ 216C.06, subs. 17, 19; 216C.41; .416, .435, .436; 272.02, .028, .029; 297A.67, subd. 29; 297A.68, subd. 12 \(2015\)](#)

Minnesota, Transactional requirements

ENERGY RETROFIT REQUIREMENTS

No relevant provisions were located.

ENERGY AUDITS

No relevant provisions were located.

ENVIRONMENTAL INSPECTIONS

No relevant provisions were located.

ENERGY USE DISCLOSURES

The transferor of real property generally must disclose certain known information, but nothing requires energy use disclosures. The disclosure must include all material facts of which the seller is aware that could adversely and significantly affect:

- the buyer's use and enjoyment of the property; or
- any intended use of the property of which the seller is aware.

OTHER RELEVANT PROVISIONS

A property owner may grant a solar or wind easement. The easement must be created in writing and must be filed and duly recorded. The easement runs with the land and constitutes a perpetual easement, except that an easement may terminate upon the conditions stated in the easement or pursuant to § 500.20.

Any depreciation caused by a solar or wind easement, but not any appreciation caused by the easement, is included in the net tax capacity of the property for property tax purposes.

Section 513.55 amended 2004; § 500.30 amended 2008.

[**Minn. Stat. §§ 500.30, 513.55 \(2015\)**](#)

Mississippi

Mississippi-Code Adoptions

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

There is no mandatory statewide energy code.

Commercial energy code

In April 2013, legislation was signed setting the mandatory energy code standard for commercial and State-owned buildings as ASHRAE 90.1-2010. [HB 1266](#) established ASHRAE 90.1-2010 as the mandatory energy code for State-owned facilities, and [HB 1281](#) updated Mississippi's statewide commercial building energy code to ASHRAE 90.1-2010. Implementation and enforcement of the new codes became mandatory on July 1, 2013.

LOCAL OPTIONS FOR CODES

Local jurisdictions may adopt energy codes. The International Code Council indicates the following local adoptions of the "International Energy Conservation Code" (IECC): Clinton, Long Beach, Olive Branch, Picayune, Biloxi and Ridgeland.

Legislation enacted in 2014, [SB 2378](#), mandates that all local jurisdictions adopt a building code. Any such code must have been adopted and approved by the state Building Codes Council. There is no requirement that an energy code be adopted

Website history unknown.

[U.S. Dep't of Energy, Energy Efficiency & Renewable Energy, Building Energy Codes Program: Mississippi DOE Status of State Energy Codes \(last visited Oct. 20, 2015\)](#)

[Mississippi, Incentives and Tax Credits](#)

STATE TAX INCENTIVES

No specifically applicable provisions were located.

Mississippi statutes provide an investment tax credit for enterprises owning or operating certain electric and thermal energy producing facilities. However, this provision applies only to an "eligible facility," which is defined as a new facility that creates at least 20 full-time jobs with a minimum capital investment from private sources of \$50 million and that meets other specified requirements.

TAX CREDITS FOR PURCHASE OR SALE

No relevant provisions were located.

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

No relevant provisions were located.

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

No relevant provisions were located.

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

Several local utilities offer rebates to customers who purchase qualifying energy efficient appliances. Some utilities also offer grants or loans for energy efficient retrofits to homes.

Section enacted 2009.

Miss. Code § 27-7-22.35 (2015)

Mississippi, Transactional Requirements

ENERGY RETROFIT REQUIREMENTS

No relevant provisions were located.

ENERGY AUDITS

No relevant provisions were located.

ENVIRONMENTAL INSPECTIONS

No relevant provisions were located.

ENERGY USE DISCLOSURES

No relevant provisions were located.

OTHER RELEVANT PROVISIONS

No other relevant provisions were located.

Missouri

Missouri, Code Adoptions

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

"The State of Missouri has not adopted statewide energy codes or statewide building codes. However numerous municipalities and counties throughout Missouri have independently adopted the International Residential Code (IRC), International Building Code (IBC), and the International Energy Conservation Code (IECC). The independent adoption of the codes allows Missouri municipalities and counties (all except class III) to adopt any combination of the IRC, IBC, and IECC and municipalities and counties may even forego code adoption. In addition to independently adopting I-Codes, municipalities and counties may adopt any cycle year version; 2000, 2003, 2006, 2009, & 2012.

It is typical for Missouri communities to adopt codes on a 6-year cycle rather than the 3-year code development cycle for ICC. It is also typical for communities to follow the code adoption of surrounding communities. These adoption practices have developed two trends in Missouri; eastern Missouri communities are generally on the 2003 I-codes and are moving/have moved to the 2009 I-codes and western Missouri communities are generally on the 2006 I-codes and are moving to the 2012." [Missouri Dep't of Economic Development, Div. of Energy website \(last visited Oct. 28, 2015\).](#)

Commercial energy code

Missouri has no statewide energy code for commercial buildings. *See above.*

LOCAL OPTIONS FOR CODES

Local jurisdictions may adopt their own energy codes. The International Code Council lists jurisdictions that have adopted the International Energy Code (IECC) [here](#).

Website history unknown.

[U.S. Dep't of Energy, Energy Efficiency & Renewable Energy, Building Energy Codes Program: Missouri DOE Status of State Energy Codes \(last visited Oct. 28, 2015\)](#)

Missouri, Incentives and Tax Credits

STATE TAX INCENTIVES

Energy Efficiency Improvements Income Tax Deduction

Beginning January 1, 2009, taxpayers may deduct the costs of home improvements to increase energy efficiency from their Missouri individual income taxes. The improvements that are eligible for the deduction are improvements recommended during an energy audit performed by an auditor certified by the Missouri Department of Natural Resources.

The maximum deduction allowed for the improvements and the audit that recommends the improvements (see below) is \$1,000 per year for an individual taxpayer, or \$2,000 per year for joint taxpayers.

Show-Me Green Sales Tax Holiday for Energy Efficient Appliances

Energy Star® certified appliances with a price of up to \$1,500 each are exempt from state sales tax from April 19 through April 25 of each year. Appliances that are eligible for the exemption include:

- Clothes washers and dryers;
- Water heaters;
- Trash compactors;
- Dishwashers;

- Conventional ovens;
- Ranges and stoves;
- Air conditioners;
- Furnaces; and
- Refrigerators and freezers.

Local governments that collect a sales tax may allow the sales tax holiday.

TAX CREDITS FOR PURCHASE OR SALE

No relevant provisions were located.

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

No relevant provisions were located.

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

Income Tax Deduction for Energy Audits

Beginning January 1, 2009, taxpayers may deduct the full cost of an energy audit from their Missouri individual income taxes. Audits must be performed by an auditor certified by the Missouri Department of Natural Resources.

The maximum deduction allowed for the audit and improvements based on an audit (see above) is \$1,000 per year for an individual taxpayer, or \$2,000 per year for joint taxpayers. Additional information is available [here](#).

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

Low-Income Weatherization Assistance Program

The Program offers home weatherization assistance to households with incomes of no more than 200% of the poverty level. Assistance includes grants for

- Reducing air leaks;
- Improved insulation;
- Heating system "clean and tune";
- Heating system repair and replacement; and
- "Minimal" building envelope repairs.

Program details are available on the Missouri Department of Economic Development, Energy Division [website](#).

Property Assessment Clean Energy (PACE) Financing

Beginning in 2010, Missouri law allows municipalities to form clean energy development boards. The purpose of the boards is to establish a property assessed clean energy program to finance energy efficiency or renewable energy improvement projects. A property owner can apply to a board to finance the costs of a project through an annual special assessment to be collected with his or her property tax. The maximum financing term is twenty years.

The total special assessments levied against a property under an assessment contract may not exceed the total cost of the project, including any required energy audits and inspections. Special assessments under the contract will be a lien on the property. Assessments will be collected by the county collector in the same manner as other property taxes.

An assessment contract must include the following:

- a description of the project, including the estimated cost of the project and details on how the project will either reduce energy consumption or create energy from renewable sources;
- a mechanism for verifying the final costs of the project upon its completion, and ensuring that any amounts paid by the clean energy development board will not exceed the final cost of the project;
- an acknowledgment by the property owner that he or she has received or will receive a special benefit by financing a project through the clean energy development board that equals or exceeds the total assessments due under the assessment contract;
- an agreement to pay annual special assessments for a period not to exceed twenty years, as specified in the contract;
- a statement that the obligations set forth in the assessment contract, including the obligation to pay annual special assessments, constitute a covenant that runs with the land and obligates upon future owners of such property; and

- an acknowledgment that no subdivision of property subject to the contract shall be valid unless the contract divides the total annual special assessment due between the newly subdivided parcels pro rata to the special benefit realized by each subdivided parcel.

Property owners approved to participate must have good credit worthiness or be otherwise considered a low risk for failure to meet the obligations of the program.

A board may require an initial energy audit as a prerequisite to project financing. A board also may require inspections to verify project completion. More information is available at the Division of Energy [website](#).

Others

No other statewide incentives were located. However, some local utilities offer rebates to customers who purchase qualifying energy efficient appliances. Some utilities also offer grants or loans for energy efficient retrofits to homes. See listing of utility programs [here](#).

Sections 67.2800, 67.2815, 67.2820 enacted 2010; section 144.526 enacted 2008; section 143.121 amended 2014; website history unknown.

[Mo. Rev. Stat. §§ 67.2800, .2815, .2820; 143.121, 144.526 \(2015\); Low Income Weatherization Program website \(last visited Oct. 29, 2015\)](#)

Missouri, Transactional Requirements

ENERGY RETROFIT REQUIREMENTS

No relevant provisions were located.

ENERGY AUDITS

No relevant provisions were located.

ENVIRONMENTAL INSPECTIONS

No relevant provisions were located.

ENERGY USE DISCLOSURES

No relevant information was located.

OTHER RELEVANT PROVISIONS

Solar Easements

Property owners may create easements for the construction, reconstruction, remodeling or acquisition of a solar energy device. The easement must be in writing, and must be recorded. Solar easements must be negotiated, and may not be created by prescription.

Section 442.012 enacted 1979; regulation amended 2013.

[Mo. Rev. Stat. § 442.012 \(2015\)](#)

Montana

Montana, Code Adoptions

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

Effective November 7, 2014, Montana has adopted the 2012 International Energy Conservation Code (IECC) as its residential code, with [amendments](#). The 2012 IECC is available for purchase from the [International Code Council](#).

Commercial energy code

Montana has adopted the 2012 IECC, with [amendments](#), for commercial buildings, effective November 7, 2014. The 2012 IECC is available for purchase from the [International Code Council](#).

LOCAL OPTIONS FOR CODES

"A county, city, or town with a building code enforcement program may, as part of its building code or by town ordinance or resolution, adopt voluntary energy conservation standards for new construction for the purpose of providing incentives to encourage voluntary energy conservation. The incentive-based standards adopted may exceed any applicable energy conservation standards contained in the state building code. "

New construction need not meet local standards that exceed state energy conservation standards unless the building contractor elects to receive a local incentive.

Regulation 24.301.161 amended 2014; § 50-60-102 amended 2009; website history unknown.

[Mont. Code § 50-60-102\(6\) \(2015\)](#); [Mont. Admin. R. § 24.301.161 \(2013\)](#); [U.S. Dep't of Energy, Energy Efficiency & Renewable Energy, Building Energy Codes Program: Montana DOE Status of State Energy Codes \(last visited Oct. 23, 2015\)](#)

Montana, Incentives and Tax Credits

STATE TAX INCENTIVES

Energy Conservation Installation Tax Credit

A resident individual taxpayer not primarily engaged in the provision of gas or electricity derived from fossil fuel extraction or conventional hydroelectric development may take a credit against his or her individual tax liability. The credit amount is 25 percent of the taxpayer's capital investment in improving a building for energy conservation or installing an energy-efficient water, heating, or cooling system in the building. The credit may not exceed \$500 and may not be more than the taxpayer's tax liability.

Residential Alternative Energy System Tax Credit

A resident individual taxpayer who installs an energy system that uses a recognized nonfossil form of energy generation or a low-emission wood or biomass combustion device in the taxpayer's principal dwelling may claim a credit against his or her individual income tax liability. The credit amount is equal to the system's cost, including installation costs, less grants received. The credit may not exceed \$500.

The term "recognized nonfossil forms of energy generation" is a system that captures energy or converts energy sources into usable sources, including electricity, by using:

- solar energy, including passive solar systems;
- wind;
- solid waste;
- the decomposition of organic wastes;
- geothermal;
- fuel cells that do not require hydrocarbon fuel;

- an alternative energy system;
- a system that produces electric power from biomass or solid wood wastes; or
- a small system that uses water power by means of an impoundment that is not over twenty acres in surface area.

Residential Geothermal Systems Credit

A resident individual taxpayer or a person constructing a new residence who completes installation of a geothermal system in his or her principal dwelling or in a residence constructed by the taxpayer is entitled to claim a tax credit against state income tax liability for a portion of the installation costs of the system. The maximum credit is \$1,500. Any unused portion of the credit may be carried forward for the seven succeeding tax years.

Installation costs include the costs of:

- trenching, well drilling, casing, and downhole heat exchangers;
- piping, control devices, and pumps that move heat from the earth to heat or cool the building;
- ground source or ground coupled heat pumps;
- liquid-to-air heat exchanger, ductwork, and fans installed with a ground heat well that pump heat from a well into a building; and
- design and labor.

Only one credit may be claimed for each residence.

Deduction for Energy-Conservation Investment

A corporate taxpayer may deduct a portion of the cost of a capital investment in a building that promotes energy conservation. If the building is a residence, the taxpayer may deduct up to \$1,800; if the building is not a residence, the taxpayer may deduct up to \$3,600.

TAX CREDITS FOR PURCHASE OR SALE

No relevant provisions were located.

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

Property Tax Exemption for Renewable Energy Systems

A portion of the appraised value of a capital investment in a recognized nonfossil form of energy generation or low-emission wood or biomass combustion device is exempt from property taxation for 10 years following installation of the system. For single-family residential buildings, the exemption is \$20,000.

The term "recognized nonfossil forms of energy generation" is defined as:

- a system that captures energy or converts energy sources into usable sources, including electricity, by using:
- solar energy, including passive solar systems;

- wind;
- solid waste;
- the decomposition of organic wastes;
- geothermal;
- fuel cells that do not require hydrocarbon fuel; or
- an alternative energy system;
- a system that produces electric power from biomass or solid wood wastes; or
- a small system that uses water power by means of an impoundment that is not over 20 acres in surface area.

A "low-emission wood or biomass combustion device" is a wood-burning appliance:

- certified by the U.S. Environmental Protection Agency; or
- that uses wood pellets as its primary source of fuel.

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

No relevant provisions were located.

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

Alternative Energy Revolving Loans

The alternative energy revolving loan account provides loans for the building alternative energy systems:

- to generate energy for the borrowers own use;
- for net metering of electricity; and
- for capital investments for energy conservation purposes, when done in conjunction with an alternative energy system.

The amount of a loan may not exceed \$40,000, and the loan must be made at a low interest rate.

"Alternative energy systems" include the generation system or equipment used to convert energy sources into usable sources using fuel cells that do not require hydrocarbon fuel, geothermal systems, low-emission wood or biomass, wind, photovoltaics, geothermal, small hydropower plants under 1 megawatt, and other recognized nonfossil forms of energy generation.

Others

No other statewide incentives were located. However, some local utilities offer rebates or grants to customers who purchase renewable energy systems, such as solar power or wind energy systems.

Section 15-6-224 enacted 2005; § 15-32-115 amended 2005; § 15-32-109 amended 2003; §§ 15-32-102, 15-32-103, 15-32-201, and 75-25-101 amended 2009.

[Mont. Code §§ 15-6-224; 15-32-102, -103, -109, -115, -201; 75-25-101 \(2015\)](#)

Montana, Transactional Requirements

ENERGY RETROFIT REQUIREMENTS

No relevant provisions were located.

ENERGY AUDITS

No relevant provisions were located.

ENVIRONMENTAL INSPECTIONS

No relevant provisions were located.

ENERGY USE DISCLOSURES

No relevant provisions were located.

OTHER RELEVANT PROVISIONS

Solar and Wind Easements

Montana law allows the granting of easements for the exposure of a solar energy device, or for "insuring the undisturbed flow of wind across the real property of another." Easements must be in writing, and must be recorded.

Wind Energy Rights

A property owner may grant a wind easement in the same manner and with the same effect as the conveyance of an interest in real property. A wind easement runs with the real property on and over which the wind resource flows and terminates under the terms and conditions outlined in the wind easement.

A wind energy right in the wind resource located on and flowing over the real property, including without limitation a royalty, if applicable, associated with the production of wind energy may not be severed from the real property even though a wind easement may be created. A seller of the real property may retain any payments associated with an existing wind option agreement or wind energy agreement.

A wind energy agreement or wind energy option agreement must be in writing and notarized.

Section 70-17-301 enacted 1979; §§ 70-17-401 to -408 enacted 2011.

[Mont. Code §§ 70-17-301; -401 to -408 \(2015\)](#)

Nebraska

Nebraska, Code Adoptions

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

Nebraska has adopted the 2009 International Energy Conservation Code (IECC) for residential buildings as the Nebraska Energy Code. It applies to all new buildings, or renovations of or additions to, any existing buildings on which construction is commenced on or after August 27, 2011.

Commercial energy code

Nebraska has adopted the 2009 International Energy Conservation Code (IECC) for commercial buildings. It applies to all new buildings, or renovations of or additions to, any existing buildings on which construction is commenced on or after August 27, 2011.

LOCAL OPTIONS FOR CODES

Cities and counties may adopt codes that differ from the Nebraska Energy Code, however, state law requires the adopted code to be equivalent to the Nebraska Energy Code (2009 IECC). An interactive state county map is available [here](#).

Sections 81-1611 and 81-614 amended 2011.

[Neb. Rev. Stat. §§ 81-1611, -1614 \(2014\); U.S. Dep't of Energy, Energy Efficiency & Renewable Energy, Building Energy Codes Program: Nebraska DOE Status of State Energy Codes \(last visited Oct. 22, 2014\)](#)

Nebraska, Incentives and Tax Credits

STATE TAX INCENTIVES

Sales and Use Tax Exemption for Community Wind Projects

Personal property sold or leased for use in a community-based energy project is exempt from sales or use tax. A "community-based energy project" is defined as a new wind energy project that:

- has an ownership structure as follows:

- For a project that consists of more than two turbines, has one or more qualified owners with no single individual qualified owner owning more than fifteen percent of the project and with at least thirty-three percent of the gross power purchase agreement payments flowing to the qualified owner or owners or local community; or
- For a project with one or two turbines, has one or more qualified owners with at least thirty-three percent of the gross power purchase agreement payments flowing to a qualified owner or owners or local community; and
- has a resolution of support adopted by the county board of each county in which the project is to be located; or by the tribal council for a project located within the boundaries of an Indian reservation.

A "new wind energy project" is defined as any tangible personal property incorporated into the manufacture, installation, construction, repair, or replacement of a device, such as a wind charger, windmill, or wind turbine, used to convert wind energy to electrical energy or to transmit electricity to the purchaser.

TAX CREDITS FOR PURCHASE OR SALE

No relevant provisions were located.

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

No relevant provisions were located.

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

No relevant provisions were located.

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

Dollar and Energy Saving Loans

The Nebraska Energy Office, through local banks, offers low-interest loans for energy-saving home improvements or purchases of energy-efficient appliances. The maximum annual interest rate for the loans is five percent. Typical improvements that are eligible for the loans are:

- refrigerator, freezer, dishwasher, dehumidifier or clothes washer replacements;
- insulation added to walls, floors, ceilings, attics and other building envelope surfaces;
- window and door replacement, repair, or upgrade;
- caulking and weather-stripping or thresholds;
- high efficiency space heating equipment;
- heating and cooling system repair, upgrade, or replacement;
- programmable thermostats and other controls;
- high efficiency water heating equipment;
- duct, pipe and water heater insulation;

- whole house fans, heat or energy recovery ventilator and outdoor combustion air intake duct;
- fireplace inserts;
- high efficiency lighting and controls;
- ENERGY STAR® certified home electronics and office equipment; and
- other energy efficiency and waste minimization projects approved by the Energy Office.

The maximum loan and the maximum interest rate depend upon the project being financed.

Applicants apply for a loan through a participating lender. Price quotes or bids must be submitted along with the application, and loans will not be given for projects that have already started, or for which the applicant is already contractually committed. Applicants must submit only one price quote or bid. Borrowers may install projects themselves, but the value of the borrower's labor may not be included in the loan.

Loan applicants must meet the credit qualifications of the participating lender. Applicants must also complete a form to attest that they are either a citizen or a qualified alien. Loan availability is subject to the availability of state funds. Details, including application forms, are available on the loan program [website](#).

Energy Efficient Housing Loans

The Nebraska Energy Office offers loans through eligible lenders for the construction of energy-efficient single-family homes. Loans bear an interest rate of 2.5% and are offered through eligible Nebraska lenders.

Loans are for the construction of single family, detached dwellings to be built as ENERGY STAR®, Five Star Plus homes. Eligible homes must have a Home Energy Rating System (HERS) Rating score of 50 or less. Applicants must supply the Energy Office with a set of the construction drawings and specifications showing details of the likely energy consumption of the house.

If a plan complies with program requirements, the Energy Office is notified by the lender that an application for a construction loan has been approved. Once a Commitment Agreement between the lender and the Energy Office has been signed, the lender will notify the applicant that construction may begin. A borrower may not begin construction prior to receiving notification that the Energy Office has committed funds to your project. During and after construction the HERS rater will need to inspect the home to insure construction is completed according to the plans and ENERGY STAR®, Five Star Plus requirements with a HERS Rating score of 50 or less.

Additional information is available on the [program website](#).

Low Income Weatherization Program

The Nebraska Energy Office provides free home weatherization services to low-income homeowners and renters. Eligibility is limited to households with incomes no greater than two-hundred percent (200%) of the federal poverty level.

Typical improvements include:

- insulation;
- caulking and weather-stripping; and
- appliance repair or replacement.

All services will not necessarily be provided to every eligible home. Homes are evaluated to determine the most cost-effective improvements.

Details are available on the Energy Office [website](#).

Others

No other statewide incentives were located. However, some local utilities offer rebates or loans to customers who purchase renewable energy systems.

Section 77-2704.57 amended 2013; websites histories unknown.

[Neb. Rev. Stat. § 77-2704.57 \(2014\); Nebraska Energy Office, Dollar and Energy Saving Loans \(last visited Oct. 21, 2015\); Low-Income Weatherization Program website \(last visited Oct. 21, 2015\)](#)

Nebraska, Transactional Requirements

ENERGY RETROFIT REQUIREMENTS

No relevant provisions were located.

ENERGY AUDITS

No relevant provisions were located.

ENVIRONMENTAL INSPECTIONS

No provisions that require an environmental inspection were located.

The Seller Property Condition Disclosure Statement requires disclosure of environmental hazards known to the seller; specifically the presence on the property of

- asbestos;
- contaminated soil or water;
- landfill or buried materials;
- lead-based paint;
- radon gas;
- toxic materials;
- underground fuel chemical, or other storage tank; or
- any other hazardous substance designated by the Environmental Protection Agency.

Sellers must provide a copy of any testing done for any of the listed substances.

ENERGY USE DISCLOSURES

No specifically relevant provisions were located.

OTHER RELEVANT PROVISIONS

Solar and Wind Easements

A property owner may grant an easement for solar access or wind access pursuant to a solar or wind agreement. The agreement must be created in writing.

Solar and wind agreements run with the lands benefited and burdened and may terminate upon the conditions stated in the agreement. The initial term of the agreement may not exceed 40 years.

Solar and Wind Energy Real Property Land Rights

Nebraska law authorizes land rights or an option to secure a land right in real property, or the vertical space above real property, for a solar energy or wind energy conversion system. The instrument must be in writing and duly recorded.

Statutes amended 2012; disclosure statement modified 2003.

[Neb. Rev. Stat. §§ 66-910, -911.01 \(2014\); 302 Neb. Admin. Code § 1-001 \(2013\)](#)

Nevada

Nevada, Code Adoptions

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

The 2012 International Energy Conservation Code (IECC) was adopted by the Nevada Office of Energy as the minimum standard in Nevada and went into effect July 1, 2015. The Office is required to adopt the latest version of the IECC every third year. Some counties/jurisdictions have started to enforce the 2012 IECC.

Commercial energy code

The 2012 International Energy Conservation Code (IECC) was adopted by the Nevada Office of Energy as the minimum standard in Nevada and went into effect July 1, 2015. The Office is required to adopt the latest version of the IECC every third year. Some counties/jurisdictions have started to enforce the 2012 IECC.

LOCAL OPTIONS FOR CODES

Local jurisdictions may adopt local energy codes based on the 2009 IECC that are at least as stringent as the IECC.

Section 701.220 amended 2011.

[Nev. Rev. Stat. § 701.220 \(2014\)](#); [U.S. Dep't of Energy, Energy Efficiency & Renewable Energy, Building Energy Codes Program: Nevada DOE Status of State Energy Codes \(last visited Oct. 18, 2015\)](#); [Int'l Code Council, Code Adoptions: Nevada \(last visited Oct. 18, 2015\)](#);

Nevada, Incentives and Tax Credits

STATE TAX INCENTIVES

No provisions relevant to residential real estate were located.

TAX CREDITS FOR PURCHASE OR SALE

No relevant provisions were located.

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

Property Tax Exemption for Renewable Energy Systems

The value added by a qualifying renewable energy system may not be included in the assessed value of any residential property.

A "qualified system" is defined as a system, method, construction, installation, machinery, equipment, device or appliance designed, constructed or installed in or adjacent to one or more buildings or an irrigation system in an agricultural operation to heat or cool the building(s) or irrigation system, regardless of whether the owner participates in a net metering, by using:

- wind energy;
- solar devices;
- geothermal power;
- energy derived from conversion of solid wastes; or
- waterpower.

Qualifying systems must conform to standards established by the Department of Taxation.

Green Building Property Tax Abatement

Non-residential and multi-family residential buildings certified by the United States Green Building Council's Leadership in Energy and Environmental Design program (LEED) may be eligible for a partial property tax abatement.

The partial abatement is for a duration of not more than 10 years and varies in duration and amount based on the building's certified LEED level.

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

No relevant provisions were located.

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

RenewableGenerations Rebates

Nevada's RenewableGenerations program is a statewide rebate program for certain solar, wind, and hydroelectric technologies. As of October, 2015, the wind generation, solar PV and hydropower programs are all taking applications.

Each technology must meet specified requirements. Also, generally, the installations must comply with all applicable codes and meet other detailed criteria. The system must be connected to the grid, net-metered, and installed by an electrical contractor licensed in Nevada. The maximum incentive varies by technology and property type.

For additional information, see [here](#).

Others

No other statewide incentives were located. However, some local utilities offer rebates or loans to customers who purchase renewable energy systems, such as solar power or wind energy systems.

Improvement Districts

Effective May 28, 2009, improvement districts created by a local government may be formed for an energy efficiency improvement project or a renewable energy project.

Sections 701A.110, 701B.240, 701B.580, 701B.820 amended 2013; §§ 271.265 and 701A.200 amended 2011; regulation amended 2014.

[Nev. Rev. Stat. §§ 271.265; 701A.110, .200; 701B.240, .580, .820 \(2014\); Nev. Admin. Code § 701A.280 \(2014\)](#)

Nevada, Transactional Requirements

ENERGY RETROFIT REQUIREMENTS

No relevant provisions were located.

ENERGY AUDITS

A short-lived statutory requirement that a seller obtain an energy audit was repealed in 2011 legislation that requires licensure of energy auditors by the Real Estate Division of the Department of Business and Industry. The energy auditor's report must be provided to the owner and the U.S. Department of Energy and must include identification of any energy programs, incentives, regulations, energy costs or fuel types that apply to the owner.

ENVIRONMENTAL INSPECTIONS

No relevant provisions were located.

ENERGY USE DISCLOSURES

No relevant provisions were located.

OTHER RELEVANT PROVISIONS

Solar Easements

Nevada law allows the granting of easements for the collection of solar energy. Such an easement is an interest in real property, and must be expressed in a written instrument, signed by the grantor. The easement is appurtenant to the benefited land.

The instrument that creates a solar easement must include a description of:

- the burdened and benefited lands;
- the location, size and periods of operation of the equipment to be used in collecting the solar energy; and
- the open area to be preserved for passage of direct solar radiation, by dimensions or bearings from the collecting equipment or by a statement that no obstructions which cast a shadow on the equipment during its periods of operation are allowed on the burdened land.

A solar easement becomes vested in a grantee upon the recording of the grant.

Any restriction in a deed or conveyance or by a local governing jurisdiction that unreasonably restricts (or has the effect of prohibiting or unreasonably restricting) a property owner's use of solar power is void and unenforceable. The following are deemed to be an "unreasonable restriction":

- placing a "restriction or requirement on the use of a system for obtaining solar energy" which decreases the system's efficiency or performance by more than 10 percent of the amount that was originally specified for the system and which "does not allow for the use of an alternative system at a substantially comparable cost and with substantially comparable efficiency and performance; and

- prohibiting a system for obtaining solar energy that uses components painted with black solar glazing.

Wind Easements

Any restriction in a deed or conveyance or by a local governing jurisdiction that unreasonably restricts or has the effect of prohibiting or unreasonably restricting a property owner's use of wind power is void and unenforceable. Reasonable restrictions or requirements relating to the finish, height, location, noise, safety or setback of a system for obtaining wind energy are permissible.

Sections §§ 111.370 and 111.375 enacted 1979; § 111.239 amended 2009; regulations chapter 701 amended 2010; § 278.02077 amended 2011; §.645D.300 enacted 2011.

[Nev. Rev. Stat. §§ 111.239, .370, .375](#); [278.02077, .0208](#); [645D.300 \(2014\)](#); [Nev. Admin. Code ch. 701 \(2014\)](#); [Seller's Real Property Disclosure Form \(Mar. 8, 2013\)](#); see also [Nev. Admin. Code ch. 113, § 150 \(2014\)](#)

New Hampshire

New Hampshire, Code Adoptions

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

Effective April 1, 2010, New Hampshire has adopted the 2009 version of the International Energy Conservation Code (IECC) with amendments as the energy code for residential buildings.

Commercial energy code

Effective April 1, 2010, New Hampshire has adopted the 2009 version of the IECC with direct reference for compliance to ASHRAE Standard 90.1-2007 as the building code for commercial buildings.

LOCAL OPTIONS FOR CODES

The 2009 IECC is mandatory statewide. The International Code Council lists the following local adoptions: Pembroke, Dover, Enfield, Franklin, Hooksett, Hudson, Nashua, Newington, Tuftonboro, Keene and Lebanon.

Website history unknown.

[N.H. Pub. Utilities Comm'n, Energy Codes website \(last visited Oct. 20, 2015\)](#); [U.S. Dep't of Energy, Energy Efficiency & Renewable Energy, Building Energy Codes Program: New Hampshire DOE Status of State Energy Codes \(last visited Oct. 20, 2015\)](#); [International Code Council, Code Adoptions: New Hampshire \(last visited Oct. 20, 2015\)](#)

New Hampshire, Incentives and Tax Credits

STATE TAX INCENTIVES

Renewable Energy Generation Incentive Program

The Public Utilities Commission is authorized to make incentive payments to residential owners of small renewable generation facilities.

"The public utilities commission shall make and administer a one-time incentive payment of \$3 per watt of nominal generation capacity up to a maximum payment of \$6,000, or 50 percent of system costs, whichever is less, per facility to any residential owner of a small renewable generation facility, that would qualify as a Class I or Class II source of electricity, has a total peak generation capacity of 10 kilowatts or fewer, begins operation on or after July 1, 2008, and is located on or at the owner's residence."

This program offers rebates to qualifying homeowners who install photovoltaic (PV) or wind turbine electrical generation systems 10kW or smaller. Rebate levels are \$.75 per watt of panel rated power up to \$3,750, or 50% of the total facility cost, whichever is less. On October 3, 2015 those rebates

declined to \$.50 per watt or 30% of the total facility cost whichever is less with a maximum of \$2500.

Applications and additional information are available [here](#).

TAX CREDITS FOR PURCHASE OR SALE

No relevant provisions were located.

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

Local Option Property Tax Exemption

Cities and towns may grant exemptions from the assessed value, for property tax purposes, for owners of property equipped with one or more types of renewable energy systems. Renewable energy systems eligible for such exemptions are:

- solar energy systems, both thermal and photovoltaic;
- wind powered electrical generating systems; and
- wood-fired central heating systems (not fireplaces or stoves).

A list of cities or towns that have adopted exemptions is found [here](#).

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

No relevant provisions were located.

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

Wood Pellet Rebate Program

The New Hampshire Public Utilities Commission offers rebates to purchasers of bulk-fuel fed wood pellet central boilers and furnaces that meet certain technical specifications. The rebate amount is 30% of the system cost and installation, up to a maximum of \$6,000, whichever is less.

Eligible systems have an overall efficiency rating of at least 80%. Systems must become operational on or after May 1, 2012. Applicants must have their rebate application pre-approved before the system is installed.

Additional information and application forms may be obtained [here](#).

Residential Solar Water Heating rebates

The New Hampshire Public Utilities Commission offers rebates for solar thermal hot water heater systems or solar space heating systems. Rebates range from \$1,500 to \$1,900, depending on system size.

Applicants must have their installations pre-approved. Systems must be installed by a qualified installer with authorization to do business in the state. Self-installs are allowed, in some circumstances.

Additional information and program applications may be found [here](#).

Property Assessed Clean Energy (PACE) funding

New Hampshire authorizes local governments to establish clean energy or energy efficiency districts that provide Property Assessed Clean Energy (PACE) funds. PACE funding districts are authorized to make loans for energy-related improvements. Those loans are repaid by a special assessment on property tax bills or on other municipal service charges (such as water or garbage collection). The maximum finance term is 30 years.

An agreement for an assessment must provide that the property owner will contract for qualifying improvements with one or more qualified contractors and purchase materials to be used in making qualified improvements, or both. Funds will be disbursed when documentation is received. An agreement with a property owner shall require that the property owner report post-installation energy use data for program evaluation purposes over a period determined by the municipality.

Only the legal owner of property may make an assessment agreement. All property taxes and other assessments levied with property taxes must be current and have been current for three years or for the property owner's period of ownership, whichever is less. There may be no involuntary liens (such as mechanic's liens) on the property. No notices of default or other evidence of property-based debt delinquency may have been recorded during the past three years or the property owner's period of ownership, whichever is less.

Qualifying improvements must be based upon an audit performed by a certified building analyst. Financed improvements must be consistent with the audit recommendations. The cost of the audit may be included in the total amount financed under this chapter.

Improvements must be permanently affixed to an existing building or facility that is part of the property. An agreement between a municipality and a qualifying property owner may not cover projects in buildings or facilities under new construction. If the property is sold, the new owner automatically assumes the obligations of the agreement.

Residential property containing less than five dwelling units is not eligible for the program.

Others

No other statewide incentives were located. However, some local utilities offer rebates to customers who purchase qualifying energy efficient appliances. Some utilities also offer grants or loans for energy efficient retrofits to homes.

Sections 53-F:1 to:6 amended 2015; §§ 362-F:4 and 362-F:10 amended 2013; §§ 72:62, :66, and :70 amended 2003.

[N.H. Rev. Stat. §§ 53-F:1, :2, :4, :5, :6; 72:62, :66, :70; 362-F:4, :10 \(2015\)](#)

New Hampshire, Transactional Requirements

ENERGY RETROFIT REQUIREMENTS

No relevant provisions were located.

ENERGY AUDITS

No relevant provisions were located.

ENVIRONMENTAL INSPECTIONS

No relevant provisions were located.

ENERGY USE DISCLOSURES

Real estate licensees must disclose to a prospective buyer or tenant any material on-site environmental condition affecting the subject property of which the licensee has actual knowledge. There is no affirmative obligation on the part of the licensee to investigate material defects.

Information "relative to the insulation" of a dwelling, including the type and location of the insulation, must be disclosed.

Before or during the preparation of an offer for the purchase and sale of real property and before the signing of the agreement, the seller must disclose in writing to the buyer whether any metered public utility services that the buyer may be "responsible for paying as a condition of such utility service is provided under a tariff with unamortized or ongoing charges for energy efficiency or renewable energy improvements." The disclosure must include, if known:

- the charges' remaining term and amount; and
- any estimates or documentation of gross or net energy or fuel savings resulting from the financed or amortized improvements and investments.

The buyer must sign a copy of the disclosure to acknowledge its receipt. If information regarding the required disclosure is not available, that fact must also be conveyed, in writing.

OTHER RELEVANT PROVISIONS

Solar Skyspace Easements

Property owners may create easements to ensure the exposure of a solar collector to the sun. The easement must be in writing, and must be recorded. Easements run with the land and last at least ten years, unless otherwise stated.

Documents that create a solar easement must include, at a minimum, the following:

- a description of the vertical and horizontal angles at which the solar skyspace easement extends over the real property subject to the easement, or any other description which describes the 3-dimensional space, or the place and times of day in which an obstruction to solar energy is prohibited or limited;

- the terms or conditions under which the easement is granted or shall be terminated;
- provisions for compensation of the benefited landowner in the event of interference with the enjoyment of the easement or compensation of the burdened landowner for maintaining the easement; and
- a description of the real property subject to the solar skyspace easement and a description of the real property benefiting from the easement.

A planning board may not require a landowner to grant an easement.

Small Wind Energy Systems

Local ordinances that regulate the installation and operation of small wind energy systems may not unreasonably limit or hinder the performance those systems. Unreasonable limits or hindrances to performance include the following:

- prohibiting small wind energy systems in all districts within the municipality;
- restricting tower height or system height through application of a generic ordinance or regulation on height that does not specifically address allowable tower height or system height of a small wind energy system;
- requiring a setback from property boundaries for a tower greater than 150 percent of the system height;
- setting a noise level limit lower than 55 decibels, or not allowing for limit overages during short-term events such as utility outages and severe wind storms; or

- setting electrical or structural design criteria that exceed applicable state, federal, or international building or electrical codes or laws.

Sections 331-A:25-b and -c amended 2008; § 674:63 enacted 2008; § 477:4-d enacted 1994; §§ 477:49 and :50 enacted 1985; § 477:4-h enacted 2010.

[N.H. Rev. Stat. §§ 331-A:25-b, -c; 477:4-d, -h; :49, :50; 674:63 \(2015\)](#)

New Jersey

New Jersey, Code Adoptions

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

Effective September 21, 2015, New Jersey has adopted, with some local amendments, the 2015 version of the International Energy Conservation Code (IECC) for residential buildings. The Code amendments are available [here](#).

Commercial energy code

Effective September 21, 2015, New Jersey has adopted ASHRAE (American Society of Heating, Refrigerating, and Air Conditioning Engineers) 90.1-2013 for commercial buildings.

LOCAL OPTIONS FOR CODES

Local jurisdictions may not adopt different energy codes.

Website history unknown.

[N.J. Dep't of Community Affairs, Codes and Regulations \(last visited Oct. 21, 2015\)](#)

New Jersey, Incentives and Tax Credits

STATE TAX INCENTIVES

Solar Energy Sales Tax Exemption

Receipts from the sale of "solar energy devices or systems designed to provide heating or cooling, or electrical or mechanical power by collecting and transferring solar-generated energy and including mechanical or chemical devices for storing solar generated energy" are exempt from New Jersey's Sales and Use Tax Act.

TAX CREDITS FOR PURCHASE OR SALE

No relevant provisions were located.

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

Renewable Energy Systems Property Tax Exemption

Property certified by a local enforcing agency as a renewable energy system is exempt from local property taxation. The owner of property on which a certified system is installed may claim an annual exemption from the assessed value of the property a sum equal to the assessed valuation of the property with the renewable energy system included, minus the assessed valuation of the real property without the renewable energy system.

Renewable energy systems are defined as "any equipment that is part of, or added to, a residential, commercial, industrial, or mixed use building as an accessory use, and that produces renewable energy onsite to provide all or a portion of the electrical, heating, cooling, or general energy needs

of that building.” Systems must be certified by the enforcing authority before the exemption will be allowed.

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

See under *Home Performance with ENERGY STAR*, below.

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

Home Performance with ENERGY STAR

The New Jersey Board of Public Utilities and New Jersey's Clean Energy Program offer assistance to homeowners to help reduce their energy costs and carbon footprint. Incentives include no-interest loans and cash rebates to finance home improvements.

Improvements that may be financed include:

- air sealing;
- insulation;
- duct sealing and insulation;
- HVAC work; and
- Hot water systems.

Appliances, lighting, doors, and windows are not eligible improvements.

The amount and type of assistance depend upon the energy savings to be realized. Participants in the program must have an energy assessment done of their home before improvements are made. Improvements must be made by participating BPI accredited contractors.

Homeowners who are ineligible for loans because their total energy savings will be less than 25% may participate in the *WARMAdvantage and COOLAdvantage programs (see below)*.

For additional information, see [here](#).

Builder ENERGY STAR Rebates

Rebates are available to builders who construct homes that meet ENERGY STAR® standards. The incentive amounts, which vary based on the residence type and the energy-efficiency level.

In addition to meeting ENERGY STAR® standards, builders must meet the following conditions in order to be eligible for rebates:

- Comply with the EPA-mandated checklists;
- Comply with all EPA mandatory additional requirements, including proper HVAC sizing and duct leakage limits;
- Install ENERGY STAR® - qualified (or highest available alternative) HVAC equipment;
- Fully duct all HVAC supplies and returns and fully seal all duct system joints and seams with mastic compound as applicable;

- Install ENERGY STAR® qualified mechanical ventilation with automatic 24-hour control;
- Install ENERGY STAR labeled CFL bulbs in at least 60% of all light sockets (including exterior fixtures) or comply with the EPA Advanced Lighting Package (ALP); and
- Install only direct or power vented space heating, water heating and/or fireplace combustion appliances, when present.

For additional details, see [here](#).

Comfort Partners Program

Utility customers with incomes at or below 225% of the federal poverty guidelines are eligible for free direct installation of energy-efficiency measures in their homes. Efficiency measures may include:

- efficient lighting products;
- hot water conservation measures, such as water heater or pipe insulation;
- replacement of inefficient refrigerators;
- thermostats;
- insulation upgrades;
- air sealing;

- duct sealing and repair; and
- heating and cooling equipment repair and maintenance.

The program is scheduled to end June 30, 2016 or when funds are exhausted.

Details are available on the [program website](#).

Renewable Energy Incentive Program

The Renewable Energy Incentive program offers rebates to electrical or natural gas customers who install renewable energy powered electrical generation systems that are connected to the electrical grid. Eligible systems must be sized so as to produce no more than 100 percent of the historical or (in the case of new construction) anticipated electrical usage on the site.

Four types of electrical generating systems are eligible for the program:

- solar electric;
- sustainable biomass;
- fuel cell; and
- wind generation.

All systems must be covered by a five-year, all inclusive warranty.

Incentive amounts vary based on the installed capacity, the structure type, the structure's energy efficiency, and other factors. Applications for rebates are made through the Clean Energy Office of the N.J. Board of Public Utilities. For detailed information, see [here](#).

WARMAvantage and COOLAdvantage Programs

The WARMAvantage Program offers rebates on furnaces, boilers, and water heaters. Funding is limited. For additional information, see [here](#).

The state's COOLAdvantage Program offers rebates for high efficiency air-conditioning systems. Funding is limited. For additional information, see [here](#).

Solar Domestic Hot Water Pilot Program

The New Jersey Office of Clean Energy's Hot Water Pilot Program is no longer active.

ENERGY STAR Appliance Rebates

The New Jersey Office of Clean Energy offers appliance rebates to state residents who purchase certain energy efficient home appliances. Rebates are available for purchasers of the following appliances:

- clothes washers; and
- refrigerators.

Rebate amounts depend on the energy efficiency of the appliance purchased.

For additional information, see [program website](#).

Others

No other statewide incentives were located. However, several local utilities offer rebates to customers who purchase qualifying energy efficient appliances. Some utilities also offer grants or loans for energy efficient retrofits to homes.

Sections 54:4-3.113a, .113b, .113c, and .113d enacted 2008; § 48:3-60 enacted 1999; § 54:32B-8.33 enacted 1980; website history unknown.

N.J. Stat. §§ 48:3-60; 54:4-3.113a, -3.113b, -3.113c, -3.113d; 54:32B-8.33 (2015).

New Jersey, Transactional Requirements

ENERGY RETROFIT REQUIREMENTS

No relevant provisions were located.

ENERGY AUDITS

No relevant provisions were located.

ENVIRONMENTAL INSPECTIONS

The minimum home inspection by a licensed inspector includes inspection of "energy sources," but solar collectors, solar heating systems, and solar water heaters are explicitly listed in the regulations as components that do not need to be inspected in a standard inspection.

ENERGY USE DISCLOSURES

No relevant provisions were located.

OTHER RELEVANT PROVISIONS

Solar Access Law

Homeowners' associations may not prohibit the installation of solar collectors on the roofs of buildings that

- are solely owned by an individual or individuals, and that are not listed as a common element or common property in the governing documents of an association; or
- are the roofs of townhouses, defined as a unit that extends from the foundation to the roof and that is attached to another unit and has at least two unattached sides.

Associations may adopt the rules to regulate the installation and maintenance of solar collectors on those roofs, but those rules may not increase cost of the installation or maintenance of solar collectors by more than ten percent (10%) of the total cost of the initial installation of the solar collectors. Rules may not be adopted if compliance with those rules inhibits the solar collectors from functioning at their intended maximum efficiency. Permissible rules include:

- the qualifications, certification and insurance requirements of the installers of solar collectors;
- the location where solar collectors may be placed on roofs;
- the concealment of collectors' supportive structures, fixtures and piping;

- the color harmonization of solar collectors with the colors of structures or landscaping in the development; and
- the aggregate size or coverage or total number of solar collectors, provided that the efficiency of the collectors is not inhibited.

Solar Easements

Property owners may create easements to ensure the exposure of a solar collector. The easement must be in writing, and must be recorded.

Documents that create a solar easement must include, at a minimum, the following:

- the vertical and horizontal angles at which the solar easement extends over the property subject to the easement;
- the terms or conditions under which the solar easement is granted or will be terminated; and
- any provisions for compensating of the owner of the property benefiting from the solar easement in the event of interference with the enjoyment of the solar easement or compensating of the owner of the property subject to the easement for maintaining the solar easement.

Developers and Solar Energy Systems

If "technically feasible," a developer must offer to install, or to provide for the installation of, a solar energy system into a dwelling unit at the time a prospective owner enters into negotiations with the developer.

Wind-Dependent Energy Facilities

A permit to develop a coastal area may not prohibit construction of a wind-dependent energy facility within 500 feet of the mean high water line of tidal waters on a pier. The wind energy facility must be an accessory to other uses or purposes of the pier.

Section 13:19-10.1 enacted 2011; section 45:22A-48.2 enacted 2007; sections 46:3-25, -26 enacted 1978; 52:27D-141.4 enacted 2009; regulation section 40-15.16 amended 2015.

N.J. Stat. §§ 13:19-10.1; 45:22A-48.2, 46:3-25, -26; 52:27D-141.4 (2015); [N.J. Admin. Code tit. 13, § 40-15.16 \(2015\)](#)

New Mexico

New Mexico, Code Adoptions

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

New Mexico has adopted the 2009 version of the International Energy Conservation Code (IECC) for residential buildings.

The 2009 version of the IECC became mandatory statewide effective January 1, 2012.

Commercial energy code

New Mexico has adopted the 2009 version of the IECC for commercial buildings, except that commercial buildings that conform to ASHRAE (American Society of Heating, Refrigerating, and Air Conditioning Engineers) 90.1-2004 are exempt from the IECC.

The 2009 version of the IECC became mandatory statewide effective January 1, 2012.

LOCAL OPTIONS FOR CODES

The 2009 IECC is mandatory statewide. However, the International Code Council lists the following local code adoptions: Alamogordo, Albuquerque, Artesia, Clovis, Farmington, Hobbs, San Juan County, and Silver City.

2009 N.M. Energy Conservation Code effective July 1, 2011, and mandatory statewide January 1, 2012; website history unknown.

[U.S. Dep't of Energy, Energy Efficiency & Renewable Energy, Building Energy Codes Program: New Mexico DOE Status of State Energy Codes \(last visited Oct. 24, 2015\)](#); [2009 New Mexico Energy Conservation Code](#); [Int'l Code Council, Code Adoptions: New Mexico \(last visited Oct. 24, 2015\)](#).

New Mexico, Incentives and Tax Credits

STATE TAX INCENTIVES

Sustainable Building Tax Credit

For taxable years ending on or before December 31, 2026, a taxpayer who owns a building that has been constructed or renovated to be a sustainable residential building may receive a credit against his or her personal income tax.

The annual total amount available for residential building credits is \$4 million per year. The amount of the credit for each taxpayer varies according to the building's LEED rating level and certification and size.

The credit is available for taxpayers who apply and are approved for the credit. Taxpayers may apply for the credit after construction is complete and the required certification is available.

A solar thermal system or a photovoltaic system may not be used as a basis for this tax credit if it has already been the basis for a Solar Market Development Tax Credit.

A similar sustainable building tax credit is available to taxpayers that file corporate income tax returns.

For additional information, see [here](#).

Solar Tax Credit

Generally, a taxpayer who files an individual New Mexico income tax return and who purchases and installs after January 1, 2006, but before December 31, 2016, a solar thermal system or a photovoltaic system in a residence, business or agricultural enterprise in New Mexico that the taxpayer owns, may apply for a solar market development tax credit of up to 10 percent of the system's purchase and installation costs. The maximum total solar market development tax credit allowed for either a photovoltaic system or a solar thermal is \$9000. The systems must be certified by the energy, minerals and natural resources department. Solar market development tax credits may not be claimed for:

- a heating system for a swimming pool or a hot tub; or
- "a commercial or industrial photovoltaic system other than an agricultural photovoltaic system on a farm or ranch that is not connected to an electric utility transmission or distribution system."

The maximum total annual credit is:

- \$2 million in solar market development tax credits for solar thermal systems; and
- \$3 million dollars in solar market development tax credits for photovoltaic systems.

Any portion of the solar market development tax credit that remains unused in a taxable year may be carried forward for a maximum of 10 consecutive taxable years.

Solar Energy Gross Receipts Tax Exemption

Sales and installations of solar energy systems are exempt from the state gross receipts tax. A solar energy system is an installation used to provide space heat, hot water, or electricity and which is:

- an installation that utilizes solar panels that are not also windows, including the solar panels and all equipment necessary for the installation and operation of the panels;
- a dark colored water tank exposed to sunlight, including all equipment necessary for the installation and operation of the water tank as a part of the overall water system of the property; or
- a non-vented Trombe wall, and all equipment necessary for the installation and operation of the Trombe wall.

Details are available [here](#).

Geothermal Heat Pump Tax Credit

New Mexico taxpayers may claim a tax credit for geothermal heat pumps purchased and installed between January 1, 2010, and December 31, 2020 on property the taxpayer owns. The credit equals the lesser of 30 percent of the system's cost or \$9000, and any unused credit may be carried forward for up to 10 years.

To qualify for the credit, the taxpayer must file an application with the Energy, Minerals and Natural Resources Department, which will review and approve applications until an annual aggregate cap of \$2 million in tax credits has been reached. A qualifying system must

- have either a minimum coefficient of performance of 3.4 or an efficiency ratio of 16 or greater; and
- be installed by an accredited installer certified by the international ground source heat pump association.

For additional information, see [here](#).

Renewable Energy Production Tax Credit

The New Mexico Renewable Energy Production Tax Credit provides a tax credit against the personal income tax equal to one cent per kilowatt-hour for companies that generate electricity from wind or biomass. Companies that generate electricity from solar energy receive a tax incentive that varies annually, ranging from \$.015 per kilowatt-hour in year one, to \$.04 per kilowatt-hour in year 6, and back down to \$.02 per kilowatt-hour in year 10. Other restrictions and limits apply.

For the required claim form, see [here](#).

TAX CREDITS FOR PURCHASE OR SALE

No relevant provisions were located.

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

Solar Energy System Property Tax Exemption

For purposes of property tax valuations of property, solar energy installations are excluded from the definition of “physical improvements” to property.

A solar energy installation is defined as an installation used to provide space heat, hot water or electricity to the property in which it is installed and that is:

- an installation that uses solar panels that are not also windows;
- a dark-colored water tank exposed to sunlight; or
- a non-vented trombe wall.

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

No relevant provisions were located.

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

Property Assessed Clean Energy (PACE) Bond Financing

A municipality or county may form a district "for the purpose of encouraging, accommodating and financing renewable energy improvements on property within the municipality or county." The district may include only property for which an owner executes an agreement consenting to

- the inclusion of the property within the district; and
- the imposition of a special assessment on the property for the purpose of financing renewable energy improvements.

Generally, once the district is formed, an individual property owner may opt in to the program. Any financing the property owner receives is repaid as an assessment on their property tax and will be a senior lien on the property until fully repaid. For additional information, see [here](#).

Other

No other statewide incentives were located. However, several local utilities offer rebates to customers who purchase qualifying energy efficient appliances. Some utilities also offer grants or loans for energy efficient retrofits to homes.

Section § 7-9-112 enacted 2007; §§ 5-18-4, 7-2-18.24, and 7-2A-24 enacted 2009; §§ 7-2-18.14, 7-2-18.18 amended 2009; §§ 7-2-18.19 and 7-2A-21 amended 2013; § 7-32-21.2 amended 2010; Administrative Code 3.3.29 provisions adopted 2007; Administrative Code 3.3.28 provisions amended 2009.

N.M. Stat. §§ 5-18-4; 7-2-18.14, .18, .19, .24; 7-2A-21, -24; 7-9-112; 7-36-21.2 (2015); [N.M. Code R. §§ 3.3.28, .29 \(2015\)](#)

New Mexico, Transactional Requirements

ENERGY RETROFIT REQUIREMENTS

No relevant provisions were located.

ENERGY AUDITS

No relevant provisions were located.

ENVIRONMENTAL INSPECTIONS

No relevant provisions were located.

ENERGY USE DISCLOSURES

No relevant provisions were located.

OTHER RELEVANT PROVISIONS

Property owners may create easements to ensure the exposure of a solar collector. The easement, or solar right, is created by installing a solar collector. Solar rights are considered easements appurtenant, and may be enforced by an action at law or equity. A person who claims a solar right must record the right and give notice to the affected property owners. The solar right is effective against other property owners unless the other owner objects and the claim of the right is not sustained by a court order or by agreement.

Counties or municipalities may not restrict the placement of solar collectors except in historic districts.

Covenants, agreements, or deed restrictions that effectively prohibit the use of solar collectors are void and unenforceable.

Section 3-18-32 enacted 2007; sections 47-3-8 and -9 enacted 1983; section 47-3-4 enacted 1977.

N.M. Stat. §§ 3-18-32, 47-3-4, -8, -9 (2015)

[New York](#)

[New York, Code Adoptions](#)

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

New York has adopted a statewide energy code, the Energy Conservation Construction Code of New York State (ECCNYS 2010), based on the 2009 International Energy Conservation Code (IECC), with local amendments.

The ECCNYS 2010 was effective December 28, 2010. Effective January 1, 2011, the new code is also applicable to most building renovations that include system replacements.

As of 2015, the Residential Energy provision are still found in the 2010 Energy Conservation Construction Code and Chapter 11 of the Residential Code of New York State (RCNYS 2010). Multiple compliance paths are given in Chapter 4 of the ECCNYS 2010, and in Chapter 11 of the RCNYS 2010. The plans submitted must show adherence with the requirements of one of the compliance paths. Links to the ECCNYS components are available [here](#).

Commercial energy code

Effective January 1, 2015, commercial buildings must be designed in accordance with the IECC 2012 as modified by the 2014 Supplement. The IECC allows alternative design with the ASHRAE 90.1-2010, Energy Standard for Buildings, Except for Low Rise Residential Buildings, also as modified by the 2014 Supplement. Electronic copies of all the documents are available [here](#).

LOCAL OPTIONS FOR CODES

The ECCNYS is mandatory statewide.

Website history unknown.

[N.Y. Dep't of State Building Energy Code Page \(last visited Oct. 20, 2015\)](#); [Int'l Code Council, Code Adoptions: New York \(last visited Oct. 20 2015\)](#)

New York, Incentives and Tax Credits

STATE TAX INCENTIVES

Solar Income Tax Credit

Taxpayers may claim a credit against personal income taxes for 25 percent of the costs for the purchase and installation of solar-electric and solar-thermal equipment. The maximum credit is \$5000 for equipment placed in service after September 1, 2006. The unused portion of the credit may be carried forward to the next tax year.

In order to qualify for the credit, equipment must be installed by the taxpayer on residential property used as the taxpayer's principal residence.

"Solar energy system equipment" is defined as "an arrangement or combination of components utilizing solar radiation, which, when installed in a residence, produces energy designed to provide heating, cooling, hot water or electricity for use in such residence." The term does not include equipment used for heating a swimming pool, or to equipment that is not part of a solar energy system. Qualifying systems must have a capacity limit of 10 kW, although systems installed on condominium or cooperative properties may have a maximum capacity of 50 kW.

Fuel Cell Income Tax Credit

Taxpayers may claim a credit against personal income taxes for 20 percent of the costs for the purchase and installation of qualified fuel cell electric generating equipment. The maximum credit is \$1500 per generating unit. The unused portion of the credit may be carried forward to the next tax year.

Qualified fuel cell electric generating equipment is an on-site electricity generation system "utilizing proton exchange membrane fuel cells, providing a rated baseload capacity of no less than one kilowatt and no more than one hundred kilowatts of electricity. . . ."

Sales Tax Exemption for Solar Equipment

The sale and installation of residential solar energy systems equipment is exempt from the state sales and use tax. "Residential solar energy systems equipment" is defined as an arrangement or combination of components installed in a residence that utilizes solar radiation to produce energy for heating, cooling, hot water and/or electricity. The definition excludes equipment that is part of a non-solar energy system or that uses any sort of recreational facility or equipment (such as, a swimming pool) as a storage medium.

Municipalities with a sales tax may enact a similar exemption.

Clean Heating Fuel Tax Credit

New York offers a personal income tax credit for biodiesel purchases used for residential space heating and water heating. The credit is scheduled for purchases made after December 31, 2011. The credit equals \$0.01 per gallon for each percent of biodiesel blended with conventional home heating oil, up to a maximum of \$0.20 per gallon. Biodiesel fuels include certain fuels created from animal fats and vegetable oils. If a taxpayer's allowable credit exceeds their tax liability for that year, the remaining credit is refunded.

TAX CREDITS FOR PURCHASE OR SALE

No relevant provisions were located.

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

Energy Conservation Improvements Property Tax Exemption

Qualifying energy conservation improvements that increase the value of a home are exempt from property taxes (including school taxes and ad valorem taxes, but not including special assessments). Eligible improvements include:

- insulation;

- caulking and weather-stripping of all exterior doors and windows;
- furnace efficiency modifications;
- furnace and boiler retrofits;
- furnace and boiler replacements, provided that the replacements meet minimum efficiency standards established by the Public Utilities Commission;
- heat pumps that meet minimum efficiency standards for heating and cooling purposes;
- clock thermostats;
- hot water heater insulation;
- storm and thermal windows and doors;
- solar and wind systems;
- load management devices and energy use meters, together with associated wiring; and
- any other measures approved by the Public Service Commission, or that qualify for state or federal energy conservation tax credits.

Solar, Wind or Farm Waste Energy System Exemptions

Real property which includes an approved solar or wind energy system or farm waste energy system constructed prior to January 1, 2025 is exempt from property taxation to the extent of any increase in the value thereof due to the inclusion of such a system for a period of fifteen years. If the system or components thereof are part of the building structure, the increase in value that is exempt is equal to the assessed value attributable to such system or components multiplied by the ratio of the incremental cost of the system or components to the total cost thereof.

Local Option Property Tax Exemptions

Real property with a solar or wind energy system or farm waste energy system is exempt from property taxation to the extent of any increase in the value of the property attributed to the solar, wind, or farm waste energy system. The tax exemption applies for fifteen years for a period of fifteen years. The President of the N.Y. State Energy Research and Development Authority issues guidelines for eligible systems.

The exemption will apply unless the county, city, town, or school district passes a resolution stating that the exemption will not apply.

Green Building Exemption

Improvements to real property initiated on or after January 1, 2013 which meet the certification standards for green buildings set forth in N.Y. Prop. Tax Law § 470 are exempt from taxation by any municipal corporation in which the property is located, provided the municipality's governing board adopts a local law, ordinance or resolution providing for the exemption.

Green Roof Property Tax Abatement

In cities with a population of one million or more, a property tax abatement is available for qualified green roofs, with the amount of the abatement based on the square footage of the roof. From July 1, 2014 to June 30, 2019, the rate is \$5.23 per square foot. This abatement is available on a first-come, first-served basis depending on funding.

Property Tax Abatement for Photovoltaic Equipment

A building owner in a city with a population of more than one million may receive a property tax abatement for the costs of solar power systems. The amount of the abatement is for each year of compliance:

- the lesser of 2.5 percent of eligible generating expenditures, the amount of property taxes payable in a tax year, or \$62,500, for systems installed on or after January 1, 2013 and before January 1, 2014; and
- for systems installed on or after January 1, 2014 and before January 1, 2017, the lesser of 5.0 percent of eligible generating expenditures, the amount of property taxes payable in a tax year, or \$62,500.

"Eligible expenditures" are defined as

- reasonable expenditures for materials;
- labor costs properly allocable to on-site preparation, assembly and original installation;
- architectural and engineering services; and
- designs and plans directly related to the construction or installation of a solar electric generating system.

Eligible expenditures do not include interest or other finance charges, or any expenditures incurred using a federal, state or local grant.

Continuation of the abatement is conditioned on

- continuing compliance with all applicable provisions of law, including limitation the local construction and fire codes;
- maintaining the solar electric generating system so that it continuously constitutes a solar electric generating system;
- permitting a designated agency to inspect the solar electric generating system and any related structures and equipment upon reasonable notice; and
- real estate taxes, water and sewer charges, payments in lieu of taxes or other municipal charges with respect to the building not having been due and owing for a period of six months or more.

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

Utilities are required to conduct energy audits at no charge on the request of a customer or a landlord. Audits must include:

- estimates of the energy conservation measures needed to comply with applicable minimum criteria;
- estimates of available options for meeting such criteria;
- the relative costs and pay-back periods of those options;
- the relative potential energy and cost savings on a monthly and yearly basis;

- a comparison of initial cost and pay-back periods for customer installation and for contractor installation; and
- the price of fuel on which any comparison is based.

Free or Low-Cost Energy Audits

Free or low-cost energy audits are available to low income homeowners. Free audits are offered to homeowners whose household income is no greater than 200% of the area median income. Reduced cost audits are available to homeowners whose household income is not more than 400% of the area median.

Additional information is available at the program [website](#).

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

Anaerobic Digester Gas-to-Electricity Program

The N.Y. Energy Research and Development Authority (NYSERDA) has offered financial incentives for the installation of anaerobic digester gas-to-electricity systems. The program has expired.

Further information is available from [NYSERDA](#).

Small Wind Incentive Fund

NYSERDA offers cash incentives for the purchase and installation of wind energy generation systems. Incentives are paid to installers, and must be passed along to consumers.

The incentive may not exceed 50% of the cost of the system, and is based on the expected annual energy output of the system. Systems must be installed by contractors or installers approved by NYSERDA.

Additional information is available on the program [website](#).

Green Jobs—Green New York Loans

The Green Jobs—Green New York program offers homeowners low-cost financing for improvements to make their homes more energy-efficient. Loans are originated through Energy Finance Solutions.

The program offers unsecured loans to the owners of one- to four-unit residential structures. Borrowers may borrow the full cost of improvements.

Fixed rate loan terms of five, ten, or fifteen years are available. The loan terms may be limited by the estimated useful life of the measures installed.

Financed projects must achieve a savings-to-investment ratio of 1.0 or greater. Installation of improvements must be performed by Building Performance Institute (BPI) Accredited contractors participating in NYSERDA's Home Performance with ENERGY STAR program.

Additional information is available [here](#).

Energy \$mart Loans

Energy \$mart Loans are offered through a network of participating lenders.

The maximum loan is \$20,000, or \$30,000 in the Consolidated Edison service territory. Loans may be secured or unsecured basis, at the option of the lender and the borrower

Procedures and conditions may vary by Participating Lender, and by loan. Loans may not be combined with high efficiency measure cash-back incentives

Solar Thermal Incentive

NYSERDA offers incentives for the installation of solar water heating systems. Eligible systems generally must supplement an electric water heater in order to be eligible for the program. Both existing buildings and new construction are eligible for incentives.

Incentive amounts are based on the amount of electricity displaced by the solar water heating system. The incentive is set at \$1.50 per annual kilowatt-hour (kWh) displaced. The maximum available for residential systems is \$4,000. Incentive levels may be revised every two months based on program demand and market conditions.

Installers of systems must be pre-approved by NYSERDA, and the installed equipment must meet NYSERDA requirements.

Additional information is available [here](#).

Photovoltaic Incentives

NYSERDA provides cash incentives for the installation of new grid-connected solar electric or photovoltaic systems of 200 kW or less for residential installations. Installation must be done by eligible installers. The incentive is \$1.75 per watt, and is capped at 40% of the cost of the installation after available tax credits.

The incentives are available to customers of utilities who pay an RPS (Renewable Portfolio Standard) charge. Incentives will be granted on a first-come, first-served basis. Applications will be accepted through December 31, 2015, or until funds are fully committed, whichever comes first.

More information is available at the NYSERDA [website](#).

Property Assessed Clean Energy (PACE) Financing

Property-Assessed Clean Energy financing permits property owners to borrow money to pay for energy improvements, and the loan is typically by a special assessment on the property over a period of years. In 2009, New York legislation authorized local governments to offer these types of programs. Generally, these loan may be used to pay for energy audits; certain permanent energy-efficiency improvements, renewable energy feasibility studies, and the installation of renewable energy systems.

Appliance Rebate Program

New York is no longer offering rebates on the purchase and installation of energy efficient appliances.

Other Incentives Based on Income Eligibility

Households with an income equal to or lower than 80 percent of state or area median income (whichever is greater) may be eligible to receive financial incentives through [Assisted Home Performance](#). The incentives vary, based on numerous factors. For details regarding low-income programs under EmPower New York, see [here](#).

Others

Additional funding programs are described on the NYSERDA [website](#).

Several local utilities offer rebates to customers who purchase qualifying energy efficient appliances. Some utilities also offer grants or loans for energy efficient retrofits to homes.

NYSERDA offers additional loan and grant programs that are limited to customers of certain utilities. Details are available at its [website](#).

Real Property Tax Law sections 499-aaaa, -dddd enacted 2008, -bbbb and -cccc amended 2014; Public Service Law section 135-f and Real Property Tax Law section 487-a amended 1981; Town Law § 198 amended 2012; Tax Law § 606 amended 2014, § 1115 amended 2015; Real Property Tax Law § 487 amended 2014, §§ 499-aaa, -bbb amended 2013; website history unknown.

N.Y. Pub. Serv. Law § 135-f; Real Property Tax Law §§ 470, 487, 487-a, 499-aaa, 499-bbb, 499-aaaa to -dddd; Tax Law §§ 606, 1115; Town Law § 198 (2015)

New York, Transactional Requirements

ENERGY RETROFIT REQUIREMENTS

No relevant provisions were located.

ENERGY AUDITS

No relevant provisions were located.

ENVIRONMENTAL INSPECTIONS

No relevant provisions were located.

ENERGY USE DISCLOSURES

The standard seller's disclosure form requires disclosure of the amperage of the property's electrical system, but does not require disclosure of energy usage.

Surcharges

A seller of real property against which an electric, gas or water utility surcharge is assessed to defray the costs associated with an electric, gas or water line extension or costs associated with related facilities must provide written notice to the prospective purchaser or his or her agent. The notice must state, "This property is subject to an electric, gas and/or water utility surcharge," and include the following:

- the type and purpose of the surcharge;
- the surcharge amount; and
- whether the surcharge is payable on a monthly, yearly or other basis.

Green jobs-green New York

A person or entity offering to sell real property subject to a "green jobs-green New York on-bill recovery charge" must provide the following written notice to the prospective purchaser or his or her agent: "This property is subject to a green jobs-green New York on-bill recovery charge." The notice must include:

- the original charge's total amount;
- the payment schedule;
- the approximate remaining balance;

- the energy efficiency services performed; and
- an "explanation of the benefit of the green jobs-green New York qualified energy efficiency services."

OTHER RELEVANT PROVISIONS

Property owners may grant an easement to ensure the exposure of a solar energy device. The easement must be in writing, and must include at least the following terms:

- the vertical and horizontal angles, expressed in degrees, at which the solar energy easement extends over the property subject to the easement;
- the terms or conditions under which the solar energy easement is granted or will be terminated; and
- any provisions for compensation of the owner of the property benefiting from the easement in the event of interference with the easement, or compensation of the owner of the property subject to the easement for maintaining the solar energy easement.

Section 462 enacted 2001; § 242 amended 2011; § 475 enacted 2011; § 335-b enacted 1979,

N.Y. Real Prop. Law §§ 242, 462(2), 475 (2015); [Property Condition Disclosure Statement \(2006\)](#)

North Carolina

North Carolina, Code Adoptions

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

North Carolina has adopted a state-specific energy conservation code. The new code became mandatory March 30, 2012.

Commercial energy code

North Carolina has adopted a state-specific energy conservation code. The new code became mandatory March 30, 2012.

LOCAL OPTIONS FOR CODES

The N.C. Energy Code is mandatory statewide.

N.C. Energy Code amended 2012; website history unknown.

[North Carolina Energy Conservation Code \(2012\); U.S. Dep't of Energy, Energy Efficiency & Renewable Energy, Building Energy Codes Program: North Carolina DOE Status of State Energy Codes \(last visited Oct. 21, 2015\)](#)

North Carolina, Incentives and Tax Credits

STATE TAX INCENTIVES

Tax Credit for Renewable Energy Investment

Taxpayers who purchase, lease, or construct renewable energy property are entitled to a credit against state income tax for 35 percent of the property's cost. If the property is installed on a single-family residence, the credit must be taken for the year in which the property was placed in service. The credit may not exceed 50 percent of a taxpayer's tax liability.

“Renewable energy property” is defined in the law as follows:

- biomass equipment that uses renewable biomass resources for the production of ethanol, methanol, and biodiesel; anaerobic biogas production of methane utilizing agricultural and animal waste or garbage; or commercial thermal or electrical generation (including related devices for converting, conditioning, and storing the liquid fuels, gas, and electricity produced with biomass equipment);
- hydroelectric generators at existing dams or in free-flowing waterways, and related devices for water supply and control and for converting, conditioning, and storing the electricity generated;
- solar energy equipment for water heating, active space heating and cooling, passive heating, daylighting, generating electricity, distillation, desalination, detoxification, or the production of industrial or commercial process heat (including related devices necessary for collecting, storing, exchanging, conditioning, or converting solar energy to other useful forms of energy);
- wind equipment required to capture and convert wind energy into electricity or mechanical power, and related devices for converting, conditioning, and storing the electricity produced;
- geothermal heat pumps that use the ground or groundwater as a thermal energy source to heat a structure or as a thermal energy sink to cool a structure; and
- geothermal equipment that uses the heat of the earth as a substitute power source for water heating or active space heating or cooling; and
- combined heat and power system property.

The maximum credit for property installed on residential property is:

- \$1400 per dwelling unit for solar energy equipment for domestic water heating, including pool heating;
- \$3500 per dwelling unit for solar energy equipment for active space heating, combined active space and domestic hot water systems, and passive space heating;
- \$10,500 per installation for any other renewable energy property;
- \$8400 per installation for a geothermal heat pump or geothermal equipment; and
- \$2 million per installation on nonresidential property.

The credit will not be allowed for property installed after January 1, 2016, and the credit is allowed against the state's franchise, income, or gross premiums taxes. No credit is allowed to the extent that renewable energy property was purchased with public funds, other than funding from the federal American Recovery and Reinvestment Tax Act of 2009.

TAX CREDITS FOR PURCHASE OR SALE

No relevant provisions were located.

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

Solar Energy Systems Property Tax Abatement

Eighty percent of the appraised value of a solar energy system is excluded from the property tax base for any property. A "solar energy system" is defined as all equipment "used directly and exclusively for the conversion of solar energy to electricity."

Solar Heating and Cooling Systems Property Tax Limitation

Buildings equipped with solar heating or cooling systems are designated a special class of property for property taxation purposes. No additional value may be assigned to a building with a solar heating or cooling system. Buildings with a solar heating or cooling system must be assessed according to each county's schedule of values for buildings equipped with conventional heating or cooling systems.

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

No relevant provisions were located.

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

Building Permit Fee Reduction

Counties and cities may adopt ordinances that provide for a reduced building permit fee, or a partial rebate of a permit fee, for renovations that are certified as using design principles to save energy. The certifications that meet the requirements for a fee rebate or reduction are:

- Leadership in Energy and Environmental Design (LEED) certification or higher rating under certification standards adopted by the U.S. Green Building Council;
- a One Globe or higher rating under the Green Globes program standards adopted by the Green Building Initiative; or
- a certification or rating by another nationally recognized certification or rating system that is equivalent or greater than those listed above.

Local Option Revolving Loan Funds

A city or county may establish a revolving loan fund to finance the purchase and installation of distributed generation renewable energy sources or energy efficiency improvements. The annual interest rate may not exceed eight percent per year, and the loan term may not be greater than 20 years.

Property-Assessed Clean Energy Financing

Counties and cities are given the authority to make special assessments in order to finance the installation of "distributed generation renewable energy sources" or permanently fixed energy efficiency improvements.

GreenPower Program

North Carolina's GreenPower program offers payments for electricity tied to the grid and generated by solar, wind, small hydro (10 megawatts or less) and biomass resources. For additional information, [click here](#).

ENERGY STAR® Manufactured Homes

The NC Plus program closed on January 31, 2012.

The program offered rebates to purchasers of ENERGY STAR® certified manufactured homes.

Others

No other statewide incentives were located. However, several local utilities offer rebates to customers who purchase qualifying energy efficient appliances. Some utilities also offer grants or loans for energy efficient retrofits to homes.

Also, many North Carolina power distributors participate in the Tennessee Valley Authority's (TVA) Green Power Switch program, which offers production incentives for alternative energy projects to residential and small commercial customers. In addition, incentives for photovoltaics are offered to large commercial customers.

Eligible projects must not have generated power into the grid before January 2008 or must use new renewable resources with existing equipment.

The Green Power Providers program website provides a current list of TVA distribution utilities in North Carolina participating in the program. Customers who are served directly by TVA are also eligible.

For additional information, [click here](#).

Section 153A-455 amended 2014; § 105-277 amended 2014; § 105-129.17, and 160A-239.2 amended 2009; §§ 105-129.15, 105-129.16A amended 2010; §§ 105-275, 153A-210.2 amended 2014; §§ 153A-340, 160A-459.1 and 160A-381 amended 2013.

[N.C. Gen. Stat. §§ 105-129.15, -129.16A, -129.17, -164.13D, -275, -277; 153A-210.2, -340; 160A-239.2, -381, -459.1 \(2015\)](#)

North Carolina, Transactional Requirements

ENERGY RETROFIT REQUIREMENTS

No relevant provisions were located.

ENERGY AUDITS

No relevant provisions were located.

ENVIRONMENTAL INSPECTIONS

No relevant provisions were located.

ENERGY USE DISCLOSURES

The standard seller's disclosure form does not require disclosure of energy usage.

OTHER RELEVANT PROVISIONS

No deed restrictions, covenants, or other binding agreements that run with the land may prohibit the installation of a solar collector. Any such deed restriction, covenant, or agreement is void and unenforceable. The location or screening of solar collectors may be regulated by agreement provided the reasonable use of a solar collector for residential property is not prevented. "Residential property" is defined as "property where the predominant use is for residential purposes."

The prohibition does not apply to restrictions that would prohibit the location of solar collectors that are visible by a person on the ground:

- on the façade of a structure that faces areas open to common or public access;
- on a roof surface that slopes downward toward the same areas open to common or public access that the façade of the structure faces; or

- within the area set off by a line running across the façade of the structure extending to the property boundaries on either side of the façade, and those areas of common or public access faced by the structure.

The prohibition applies only to deed restrictions, covenants, or similar binding agreements that run with the land recorded on or after October 1, 2007.

City or county ordinances may not prohibit the installation of solar collectors on single-family homes, except for collectors that are visible by a person on the ground:

- on the façade of a structure that faces areas open to common or public access;
- on a roof surface that slopes downward toward the same areas open to common or public access that the façade of the structure faces; or
- within the area set off by a line running across the façade of the structure extending to the property boundaries on either side of the façade, and those areas of common or public access faced by the structure.

Section 47E-10 enacted 1995; §§ 22B-20 and 160A-201 amended 2009; § 47E-4 amended 2014; regulation amended effective 2014.

[N.C. Gen. Stat. §§ 22B-20; 47E-4, -10; 160A-201 \(2015\); 21 N.C. Admin. Code 58A .0114 \(2015\)](#)

North Dakota

North Dakota, Code Adoptions

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

Effective January 1, 2014, North Dakota has adopted the 2012 International Residential Code as part of the 2014 State Building Code, which incorporates provisions of the 2009 International Energy Conservation Code.

Commercial energy code

Effective January 1, 2014, North Dakota has adopted the 2012 International Building Code as part of the 2014 State Building Code, which incorporates provisions of the 2009 International Energy Conservation Code.

LOCAL OPTIONS FOR CODES

The North Dakota State Building Code adopts the 2012 International Residential Code and 2012 International Building Code effective January 1, 2014. If a city, county, or township elects to adopt and enforce building codes, it must adopt and enforce the State Building Code. However, a jurisdiction is permitted to further amend the State Building Code to conform to local needs. Fully chartered Home Rule Cities may adopt something other than the State Building Code, but as of October 2015, all that enforce a building code have elected to adopt the same individual codes that make up the State Building Code.

State building code adopted 2013; website history unknown.

[U.S. Dep't of Energy, Energy Efficiency & Renewable Energy, Building Energy Codes Program: North Dakota DOE Status of State Energy Codes \(last visited Oct. 25, 2015\); North Dakota State Building Code \(2014\)](#)

North Dakota, Incentives and Tax Credits

STATE TAX INCENTIVES

Renewable Energy Tax Credit

A taxpayer may claim a credit against state income tax for a portion of the cost of installing a geothermal, solar, wind, or biomass energy device. The amount of the credit is three percent of the cost per year, and may be claimed for five years after the acquisition and installation of the device. If the amount of the credit exceeds the taxpayer's tax liability, the unused portion of the credit may be carried over to subsequent years. The number of carry-over years varies depending on the device and its installation date.

A "biomass energy device" is defined in the law as a system that uses agricultural crops, waste, or residues, wood or wood wastes or residues, animal wastes, landfill gas, or other biological sources to produce fuel or electricity.

The credit expired January 1, 2015, but a wind energy device on which construction was commenced before January 1, 2015, and which is installed before January 1, 2017 is still eligible for the credit.

For taxable years beginning after December 31, 2008, this credit is applicable "against the tax liability under section 57-38-30," which is the corporate income tax.

Geothermal Tax Credit

An income tax credit is available to individuals for the cost of acquiring and installing a geothermal energy system in North Dakota. For systems installed after December 31, 2008, but before January 1, 2015, the credit equals three percent of the actual cost of acquiring and installing the system.

For additional details, [click here](#).

TAX CREDITS FOR PURCHASE OR SALE

No relevant provisions were located.

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

Geothermal, Solar, and Wind Property Tax Exemption

Locally assessed systems and equipment used to heating, cooling, mechanical or electrical power from geothermal, solar, or wind energy sources are exempt from property taxation. If the system or equipment is a part of a conventional energy system, only that portion that operates on renewable energy is exempt.

The exemption applies only for the first five years following installation.

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

No relevant provisions were located.

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

Weatherization Assistance Program

The N.D. Department of Energy offers grants to low-income households to improve the energy-efficiency of their homes. Grants are made to cover the cost of:

- caulking and weatherstripping;
- insulation;
- energy efficient doors and windows;

- furnace repair and replacement; and
- building repairs.

Eligible households are those that have incomes of no more than 200 percent of the federal poverty threshold. Details are available on the [program website](#).

Other

Several local utilities offer rebates to customers who purchase qualifying energy efficient appliances. Some utilities and local governments also offer grants or loans for energy efficient retrofits to homes.

Section 57-38-01.8 amended 2015; §§57-02-08(2) and 57-38-30.3 amended 2009.

[N.D. Cent. Code §§ 57-02-08 \(27\), -38-01.8, -38-30.3 \(2015\)](#)

North Dakota, Transactional Requirements

ENERGY RETROFIT REQUIREMENTS

No relevant provisions were located.

ENERGY AUDITS

No relevant provisions were located.

ENVIRONMENTAL INSPECTIONS

No relevant provisions were located.

ENERGY USE DISCLOSURES

No relevant provisions were located.

OTHER RELEVANT PROVISIONS

Property owners are authorized to create binding, written agreements that provide for easements for access to sunlight for solar energy devices.

Property owners may also grant easements for the purpose of ensuring adequate exposure to the wind of a wind-energy device. Wind easements run with the land. A wind easement is void if, within five years after the easement begins:

- a site-compatibility certificate or conditional use permit has been issued, if required; and
- a transmission interconnection request is in process and not under suspension.

Section 47-05-01.1 enacted 1977; section 17-04-03 amended 2009.

[**N.D. Cent. Code §§ 17-04-03, 47-05-01.1 \(2015\)**](#)

Ohio

Ohio, Code Adoptions

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

Ohio has adopted the 2009 version of the International Energy Conservation Code (IECC), with local amendments. The amendments deal with alternate ways of demonstrating compliance with the energy code.

Commercial energy code

Ohio had adopted the 2009 version of the IECC with reference to ASHRAE (American Society of Heating, Refrigerating, and Air Conditioning Engineers).

LOCAL OPTIONS FOR CODES

The 2009 IECC applies statewide.

Regulation section 4101-1-13-01 adopted 2013; website history unknown.

[U.S. Dep't of Energy, Energy Efficiency & Renewable Energy, Building Energy Codes Program: Ohio DOE Status of State Energy Codes \(last visited Oct. 21, 2015\); **Ohio Admin. Code § 4101:1-13-01 \(2015\)**](#)

Ohio, Incentives and Tax Credits

STATE TAX INCENTIVES

No relevant provisions were located.

TAX CREDITS FOR PURCHASE OR SALE

No relevant provisions were located.

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

Customer Generated Electricity Fixtures Property Tax Exemption

A fixture or other real property included in an energy facility is exempt from property taxation if:

- the facility has an aggregate nameplate capacity of 250 kW or less; and
- construction or installation was completed on or after January 1, 2010.

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

No relevant provisions were located.

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

Solar Photovoltaic Grant Program and Residential Wind Energy Grant Program

The solar photovoltaic grant program and residential wind energy grant program are closed to new applications.

Home Weatherization Assistance Program

Homeowners with incomes at or below 200 percent of the federal poverty line may apply for home weatherization assistance. The program provides no-cost home insulation and heating system repairs or replacement. Details are available on the [program website](#).

Local Utilities

Several local utilities offer rebates to customers who purchase qualifying energy efficient appliances. Some utilities and local governments also offer grants or loans for energy efficient retrofits to homes.

Property-Assessed Clean Energy (PACE) Financing

Ohio law authorizes local governments to allow property owners to borrow money to pay for "special energy improvement projects." Local municipalities and townships may create special energy improvement districts that offer property owners financing to install photovoltaic or solar-thermal systems, geothermal systems, or customer-generated electricity systems on real property, or to make energy efficiency improvements. Any property owner who opts into the program and installs solar equipment using municipal financing must agree to a special assessment, which will appear on the property tax bill, to pay back the loan. Each local municipality determines specific eligibility criteria, the maximum loan amount, interest rates, and other terms.

Green Energy Ohio (GEO) Solar Water Heater Rebate Program

GEO offers rebates to Ohio homeowners for solar water heating systems purchased after April 1, 2009. An applicant must become a GEO member, and the rebates are based on the projected energy output from the solar collectors. The maximum rebate is \$2400 per applicant.

Commencing May 1, 2013, commercial installations of solar water heating systems will be eligible for a rebate of 20% of the cost of installation.

Rebates are subject to the availability of funds.

For additional information, see [here](#).

ECO-Link loans

Ohio homeowners may be eligible for a 3% interest-rate reduction on loans for certain energy efficiency and renewable energy home upgrades pursuant to the ECO-Link Program offered by the Ohio Treasury in partnership with certain banks. To qualify, applicants must:

- be Ohio residents;
- own a single-family home; and
- receive an approved bank loan to be used for specified energy efficiency or renewable energy upgrades.

Additional information regarding the program is available at the [ECO-Link website](#).

Local Option Alternative Energy Revolving Loan Program

Cities and counties are authorized to establish alternative energy revolving loan programs. Programs are designed to assist property owners with installing on their property:

- solar photovoltaic projects;
- solar thermal energy projects;
- geothermal energy projects;
- customer-generated energy projects that use wind, biomass or gasification to generate electricity; and

- energy efficiency technologies, products and activities

Ordinances that create a loan program must provide that loans bear below-market interest rates. Loans may be repaid in installments, and collected as if they were special assessments on the property.

Section 717.25 enacted 2010; section 1710.02 amended 2012; sections 1710.01 and 5709.53 amended 2010; websites histories unknown.

[Ohio Rev. Code §§ 717.25, 1710.01, .02, 5709.53 \(2015\); Ohio Department of Development Advanced Energy and Efficiency Programs website \(last visited Oct. 21, 2015\)](#)

Ohio, Transactional Requirements

ENERGY RETROFIT REQUIREMENTS

No relevant provisions were located.

ENERGY AUDITS

No relevant provisions were located.

ENVIRONMENTAL INSPECTIONS

No relevant provisions were located.

ENERGY USE DISCLOSURES

A property seller who has received written notice of a violation of any building or housing code must provide the purchaser with written notice of the code violations prior to entering into an agreement for the transfer of title to the property.

OTHER RELEVANT PROVISIONS

Property owners are authorized to create binding, written agreements that provide for easements for access to sunlight. Easements for sunlight will run with the land.

Section 5301.63 enacted 1979; § 5301.253 enacted 1978.

[Ohio Rev. Code §§ 5301.63, .253 \(2015\)](#)

Oklahoma

Oklahoma, Code Adoptions

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

Oklahoma has no statewide residential building energy code. The Oklahoma Uniform Building Code Commission has adopted the 2009 version of the International Residential Code, but has not as of April 1, 2014 adopted an energy code for residential buildings.

Commercial energy code

The Commission has also adopted the 2009 version of the International Building Code, and has adopted the 2006 IECC by reference.

LOCAL OPTIONS FOR CODES

Local jurisdictions may enact rules containing higher standards and requirements than the codes adopted by the Oklahoma Uniform Building Code Commission or amend adopted codes to make changes "necessary to accommodate local conditions." The local jurisdiction may begin enforcing the higher standards and requirements no less than 30 days after submitting the higher standards and requirements to the Oklahoma Uniform Building Code Commission.

The International Code Council lists the following local code adoptions of the IECC: Alva, Elk City, Bartlesville, Enid, Sayre, Shawnee, and Woodward.

Section 11-14-107 amended 2009; regulation 748:20-1-18 adopted 2012, chap. 20 adopted 2012; websites history unknown.

[Okla. Stat. § 11-14-107 \(2014\)](#); [Okla. Admin. Code tit. 748, ch. 20; § 748:15-1-1 \(2015\)](#); [U.S. Dep't of Energy, Energy Efficiency & Renewable Energy, Building Energy Codes Program: Oklahoma DOE Status of State Energy Codes \(last visited Oct. 21 2015\)](#); [International Code Council, Code Adoptions: Oklahoma \(last visited Oct. 12, 2015\)](#)

Oklahoma, Incentives and Tax Credits

STATE TAX INCENTIVES

No specifically relevant provisions were located. However, Oklahoma law permits contractors to take a residential construction tax credit. A contractor who is the primary builder of an energy efficient home or manufactured home may claim an income tax credit for energy-efficient heating and cooling systems, windows, doors, roofs, and insulation. The home must be less than 2000 square feet. The contractor's tax credit may not exceed \$2,000 for a home that is between 20 and 39 percent above the International Energy Conservation Code 2003 standards or \$4,000 for a home that is 40 percent or above of that code's standards. Additional requirements must also be met.

TAX CREDITS FOR PURCHASE OR SALE

No relevant provisions were located.

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

Research located no real property tax rebates, incentives, or exemptions.

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

No relevant provisions were located.

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

Municipal Energy District Authority Loans

Pursuant to the 2011 Oklahoma Municipal Energy Independence Act, any municipality may establish a municipal energy district authority, which may then make loans to property owners to:

- finance the purchase and installation of distributed-generation renewable energy sources;
- make energy-efficient improvements or retrofits that are permanently affixed to residential, commercial or industrial property;
- conduct residential and commercial building energy audits; and
- establish financial incentives for energy-efficient improvements.

The Act applies to developed property located within the borders of the municipality on which property taxes are paid and on which the owners are current in the payment of property taxes.

Participating property owners must:

- have an energy audit conducted on the property to be improved to demonstrate the value of the property; and
- submit proof that the improvements at a minimum meet "Energy Star" ratings.

Weatherization Assistance

The Weatherization Assistance Program offers grants to low-income homeowners for energy conservation measures. Specific measures include:

- purchase of energy-efficient appliances;
- home insulation;
- caulking, weather stripping, and sealing; and
- purchase of efficient heating and cooling systems.

Applications are accepted through local Community Action Agencies. Details are on the Program [website](#).

Others

Local Utilities

No other statewide incentives were located. However, some local utilities offer rebates to customers who purchase qualifying energy efficient appliances.

Property-Assessed Clean Energy (PACE) financing

In 2009, Oklahoma authorized county governments to establish PACE programs, which permit property owners to borrow money to pay for specified energy improvements, including certain Energy Star rated equipment. The borrowed amount is typically repaid by a special assessment on the property.

Section 2357.46 amended 2010; § 460.1 enacted 2009; §§ 25-105, -107 enacted 2011.

[Okla. Stat. tit. 11, §§ 25-105, -107; tit. 19, § 460.2; tit. 68 § 2357.46 \(2014\)](#)

Oklahoma, Transactional Requirements

ENERGY RETROFIT REQUIREMENTS

No relevant provisions were located.

ENERGY AUDITS

No relevant provisions were located.

ENVIRONMENTAL INSPECTIONS

No relevant provisions were located.

ENERGY USE DISCLOSURES

The standard seller's disclosure form does not require disclosure of energy usage.

OTHER RELEVANT PROVISIONS

No other relevant provisions were located.

Property Condition Disclosure Statement dated 2012.

[Okla. Real Estate Comm'n, Residential Property Condition Disclosure Statement \(June 15, 2012\)](#)

Oregon

Oregon, Code Adoptions

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

Oregon has adopted its own statewide energy code. The code is available for viewing only at the International Code Council [website](#).

Commercial energy code

Oregon has adopted its own statewide energy code based on the 2012 International Energy Conservation Code (IECC).

LOCAL OPTIONS FOR CODES

Cities and counties may adopt local amendments to the statewide code that are more stringent than the statewide code. No amendments may be adopted without the approval of the State Office of Energy.

Website history unknown.

[U.S. Dep't of Energy, Energy Efficiency & Renewable Energy, Building Energy Codes Program: Oregon DOE Status of State Energy Codes \(last visited Oct. 19, 2015\)](#)

Oregon, Incentives and Tax Credits

STATE TAX INCENTIVES

Residential Energy Tax Credit

Homeowners and tenants in Oregon may receive a personal income tax credit for the purchase of "Alternative Energy Devices (AED)." AEDs are defined as devices or systems that reduce the amount of conventional energy use by a building. The term includes, but is not limited to:

- solar energy collectors and generators;
- ground source heat pump systems;
- energy efficient appliances;
- energy efficient HVAC systems;
- premium efficiency biomass combustion devices;
- fuel cell systems; and
- wind devices that generate electricity.

Only new equipment is eligible for the credit, and equipment must be covered by a warranty. Energy efficient appliances are eligible for the credit only if they are on the Oregon Department of Energy list of qualifying appliances.

The amount of the credit is determined according to the first-year energy yield of an AED. A credit may not exceed the net cost of the AED to the taxpayer or the taxpayer's tax liability.

Tax credits are transferable for cash payments equal to the present value of the credit. If a credit exceeds a taxpayer's tax liability, the unused portion of the credit may be carried forward.

TAX CREDITS FOR PURCHASE OR SALE

No relevant provisions were located.

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

Alternative Energy Systems Property Tax Exemption

The portion of the value of real property that is attributable to an alternative energy system on the property is exempt from the property tax. The exemption is equal to any positive amount obtained by subtracting the real market value of the property as if it were not equipped with an alternative energy system from the real market value of the property equipped with the system. The exemption is scheduled to expire for taxable years that begin after July 1, 2018.

Eligible alternative energy systems include:

- solar;
- geothermal;
- wind energy;
- water;
- fuel cell; or

- methane gas

energy systems for the purpose of heating, cooling or generating electricity.

Fee in Lieu of Property Tax on Solar Projects

A county and the owner or person in possession or control of a solar project located within the county and outside any incorporated city's boundaries may enter into an agreement that exempts the property constituting the solar project and allows payment of a fee in lieu of property taxes imposed on the property for a term not to exceed twenty years. The fee is computed at the rate of \$7,000 per megawatt on nameplate capacity of the solar project for each property tax year beginning on or after July 1, 2016.

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

No relevant provisions were located.

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

Energy Efficient Heating Rebates

Low income homeowners are eligible for rebates for the cost of purchasing and installing ENERGY STAR® certified home heating systems. The maximum rebate is \$2,000 or seventy percent of the cost of the system, whichever is less. Eligible homeowners are those whose household income is sixty percent or less of the area median.

The rebate program is administered through local low-income energy assistance and weatherization programs.

Energy Loan Program

The Energy Loan Program offers individuals and businesses low-interest loans for projects that save energy, use renewable energy sources, or that use alternative fuels. Examples of eligible projects include:

- biomass systems;
- earth sheltered construction;
- building envelope improvements;
- HVAC system improvements;
- lighting components that reduce energy consumption;
- solar energy systems;
- swimming pool evaporation reduction measures;
- water heating system improvements;
- water power systems;
- weatherization; or

- wind generators.

Details and application forms are on the Energy Loan Program [website](#).

PACE Financing

Local governments are authorized to offer loans, and/or facilitate private financing by the owner, for energy efficiency and renewable energy improvements to qualifying property. The criteria for receiving the loans are determined by the governments that offer them.

State Home Oil Weatherization Program

The Department of Energy offers rebates of up to \$500 per household for energy saving upgrades to homes that are heated with oil, wood, propane, kerosene, or butane. Eligible upgrades include:

- equipment insulation;
- programmable thermostats;
- weatherization;
- building insulation; and
- doors and windows.

Details and application forms are available on the program's [website](#).

Energy Trust Oregon

Energy Trust of Oregon, a private non-profit organization, offers loans and rebates for residential utility customers.

Assistance is available for

- purchase of energy efficient appliances and heating equipment;
- energy efficiency home improvements, such as insulation and sealing;
- energy checks;
- wind energy systems;
- solar electric systems; and
- solar water heating systems.

Loans and rebates are available to customers of Portland General Electric, Pacific Power, NW Natural, and Cascade Natural Gas. Additional information is available on the [Energy Trust website](#).

Others

No other statewide incentives were located. However, numerous local utilities offer rebates to customers who purchase qualifying energy efficient appliances. Some utilities also offer grants or loans for energy efficient retrofits to homes.

§ 315.354 amended 2011; § 223.396 amended 2014; §§ 469B.133, and .139 amended 2011; § 469B.148 amended 2012; § 316.116 amended 2015; § 307.175 amended 2011; regulations chapter 330-070 amended 2014.

Or. Rev. Stat. §§ 223.396 (as amended by [2014 Or. Laws ch. 32 \(H.B. 4041\)](#)), [307.175](#); [315.354](#); [316.116](#) (as amended by [2015 Or. Laws ch.701, § 27 \(H.B. 2171\)](#)); [469B.133, .139, .148 \(2013\)](#); [2015 Or. Laws ch. 571 \(H.B. 3492\)](#); [Or. Admin. R. ch. 330-070 \(2015\)](#)

Oregon, Transactional Requirements

ENERGY RETROFIT REQUIREMENTS

No relevant provisions were located.

ENERGY AUDITS

No relevant provisions were located.

ENVIRONMENTAL INSPECTIONS

No relevant provisions were located. "Project[ing] operating costs of components" is explicitly excluded from the items to be covered by a standard home inspection.

ENERGY USE DISCLOSURES

No relevant provisions were located.

OTHER RELEVANT PROVISIONS

Any conveyance of property that prohibits the use of a solar energy system on the property is void and unenforceable. Property owners may grant easements for access to solar power or wind energy. Solar and wind easements must be in writing, and will run with the land.

Section 105.880 enacted 1979; section 105.910 enacted 1981; sections 105.890 and -.905 amended 2003; section 105.895 amended 1991; regulation section 812-008-0204 amended 2006.

[Or. Rev. Stat. §§ 105.880, .890, .895, .905, .910 \(2013\)](#); [Or. Admin. R. § 812-008-0204 \(2015\)](#)

Pennsylvania

Pennsylvania, Code Adoptions

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

Pennsylvania has adopted the 2009 International Energy Conservation Code (IECC).

The Uniform Construction Codes (UCC) regulations provide for the use of an alternative to Chapter 11 of the International Residential Code (or Chapter 4 of the IECC), to demonstrate compliance with the energy conservation requirements of the UCC. This alternative compliance path, which can be obtained by clicking on the links below, was developed by the Pennsylvania Housing Research Center at Penn State University and is entitled "Pennsylvania's Alternative Residential Energy Provisions."

[Pennsylvania Alternative 2009 \(if complying with the 2009 International Codes\)](#)

[Pennsylvania Alternative 2006 \(if complying with the 2006 International Codes\)](#)

Commercial energy code

Pennsylvania has adopted the 2009 International Energy Conservation Code (IECC) with reference to ASHRAE (American Society of Heating, Refrigerating, and Air Conditioning Engineers) 90.1-2007.

LOCAL OPTIONS FOR CODES

Local jurisdictions may not adopt different energy codes.

Section 403.21 amended 2012; website history unknown.

[34 Pa. Code § 403.21 \(2015\)](#); [Dept. of Labor and Industry Uniform Construction Codes](#); [U.S. Dep't of Energy, Energy Efficiency & Renewable Energy, Building Energy Codes Program: Pennsylvania DOE Status of State Energy Codes \(last visited Oct. 20, 2015\)](#)

Pennsylvania, Incentives and Tax Credits

STATE TAX INCENTIVES

No relevant provisions were located.

TAX CREDITS FOR PURCHASE OR SALE

No relevant provisions were located.

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

Research located no real property tax rebates, incentives, or exemptions.

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

No relevant provisions were located.

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

Alternative Energy Portfolio Standards

Pennsylvania law allows owners of solar power generating facilities to sell alternate energy credits (AECs) to electric utilities. The credit is earned when a facility generates 1 megawatt of electricity. The owner of the facility may retain the power, but the credit for producing the power is transferred. The amount paid for the credits varies from year to year.

Facility owners must register to participate in the program. There is no minimum size for a facility.

Further details and technical specifications are available on [the program website](#).

Geothermal Incentives

Individuals are eligible for financial assistance to install a geothermal heating and cooling system in their primary residence.

The assistance is in the form of a loan with an interest rate of 1%. The maximum loan amount is \$3 per square foot of the space to be served by the system, up to 50% of the cost of the project. Loans are repaid over a ten-year period.

Note that program guidelines refer to grants and loans for wind energy projects, but individuals are not eligible for this part of the program.

Home Heating Equipment Rebates

The Department of Environmental Conservation has exhausted or committed all funds available for rebates for the purchase of non-electric home and water heating equipment. No new applications are being accepted. Details are available on [the program website](#).

Keystone HELP®

Qualifying homeowners may receive loans for the installation of qualifying home improvements that are ENERGY STAR® rated, or that exceed ENERGY STAR® energy efficiency standards. Loans are also available for whole house improvements to make a home more energy efficient, and for geothermal systems.

Keystone HELP offers loans statewide. Borrowers in Bucks, Chester, Delaware, Montgomery, and Philadelphia counties, and the city of Allentown, may be eligible for lower interest rates.

Details are available on [the program's website](#).

Sunshine Solar Rebates

The Pennsylvania Sunshine Solar Program provides rebates to help fund solar electric and solar hot water projects for homeowners. Households may receive one solar photovoltaic rebate for up to 10 kilowatts of installed generating capacity plus one solar thermal rebate of not more than \$2,000. Systems must be installed by an approved installer, and rebate applications are submitted by installers.

The program is closed as of November 25, 2013 due to lack of funds.

High Performance Building Program

The High Performance Building Program provides grants and loans to underwrite the cost of the design and construction or major renovation of high performance buildings.

Funds may be to pay for any of the following project costs associated with a high-performance building:

- acquisition of land and buildings, rights-of-way, and easements;
- clearing and preparation of the land;
- planning, designing, or modeling work;
- fees for registration and certification of the project;
- construction or renovation of a high performance building; and
- commissioning and enhanced verification of building performance.

The maximum loan amount for individual residential projects is \$100,000. Loans may be amortized over a period of not more than 25 years and will be repaid over a period not to exceed 10 years. The interest rate for a loan will be fixed at the time of approval of the loan. Interest rates are subject to change based on market conditions.

All loans are to be secured by a lien on the asset financed.

The maximum grant for any eligible project may not exceed \$500,000 or 10% of the total eligible building construction or renovation costs, whichever is less. An eligible applicant may apply for a grant or a loan, but not both for the same building project.

To qualify as a high performance building under this program, residential new construction project must:

- achieve at least Gold Certification under the United States Green Building Council Leadership in Energy and Environmental Design (LEED) for Homes rating system; or
- achieve at least Gold Certification under the National Green Building Standard, ICC 700-2008.

Projects must also meet defined criteria for each of the following standards:

- building orientation for solar design;
- site selection;
- erosion control during construction;
- minimize disturbed area of site;
- surface water management;
- water reuse;
- very high efficiency fixtures and fittings;
- exceptional energy performance;
- construction waste reduction; and

- basic operations training for occupants.

Others

No other statewide incentives were located. However, most local utilities offer rebates to customers who purchase qualifying energy efficient appliances, and air conditioning or heating equipment. Some utilities also offer grants or loans for energy efficient retrofits to homes.

Sections 1649.306 and 1649.307 approved 2008; website history unknown.

[73 Pa. Cons. Stat. § 1649.306, .307 \(2015\); PA Dep't of Environmental Conservation, Sunshine Solar Program \(last visited Oct. 20, 2015\); PA Dep't of Community & Economic Development, High Performance Building Program \(last visited Oct. 20, 2015\); PA Dep't of Community & Economic Development, Renewable Energy Project, Geothermal and Wind Projects Guidelines \(last visited Oct. 20, 2015\)](#)

Pennsylvania, Transactional Requirements

ENERGY RETROFIT REQUIREMENTS

No relevant provisions were located.

ENERGY AUDITS

No relevant provisions were located.

ENVIRONMENTAL INSPECTIONS

No relevant provisions were located.

Note that seller disclosure forms require the seller to disclose:

- any "movement, shifting, deterioration, or other problems" with the walls, foundations, or other structural components;
- any underground fuel tanks;
- any "fill or expansive soil";
- any mining, strip-mining, or other excavations;
- whether the property contains wetlands;
- any underground tanks;
- any hazardous substances, including asbestos, PCBs, or urea formaldehyde foam insulation;
- any "other environmental concerns that might impact upon the property"; and
- any material defects that are not disclosed elsewhere on the form.

ENERGY USE DISCLOSURES

Unless exempt pursuant to 68 Pa. Cons. Stat. Ann. §§ 7103(b) or 7302, a seller must disclose to a buyer any known material defects in the property by completing a property disclosure statement that, at a minimum, satisfies the requirements of § 7304. A [**Seller's Property Disclosure**](#)

Statement containing the minimum disclosure requirements is available on the Real Estate Commission's website and set forth in 49 Pa. Code § 35.335a. Also, a sample form of a recommended **Seller's Property Disclosure Statement** is available online.

The official property disclosure statement does not include disclosure of energy use.

OTHER RELEVANT PROVISIONS

No other relevant provisions were located.

Statutory sections 7103, 7302, and 7303 enacted 2000; § 7304 amended 2015; regulation adopted 2010; forms dated 2015.

68 Pa. Cons. Stat. § 7303 (2015); Pa. Assoc. of Realtors, Seller's Property Disclosure Statement (Feb. 2015); Pa. Real Estate Comm'n, Seller's Property Disclosure Statement (June 21, 2015); see also 68 Pa. Cons. Stat. Ann. §§ 7103(b), 7302, 7304 (2015); 49 Pa. Code § 35.335a (2015)

Puerto Rico

Puerto Rico, Code Adoptions

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

Puerto Rico has adopted its own energy code. Effective January 1, 2011, that code is based on the 2009 International Energy Conservation Code (IECC). The date that the Code is effective for new construction is set out in the building occupancy table in the building code. The adoption date of the IECC 2009 began on January 1, 2011; however, the effective date of this code will be transitory. Effective dates begin March 1, 2013 and continue through March 1, 2016.

Commercial energy code

Puerto Rico has adopted its own energy code. Effective January 1, 2011, that code is based on the 2009 International Energy Conservation Code (IECC).

LOCAL OPTIONS FOR CODES

Local jurisdictions may not adopt a different energy code.

Website history unknown; building code effective 2011.

[U.S. Dep't of Energy, Energy Efficiency & Renewable Energy, Building Energy Codes Program: Puerto Rico DOE Status of State Energy Codes \(last visited Oct. 20, 2015\)](#)

Puerto Rico, Incentives and Tax Credits

STATE TAX INCENTIVES

Income Tax Deduction for Solar and Wind Energy Systems

Residential property owners or lessees may receive a personal income tax deduction for expenses incurred in the purchase and installation of solar and wind power generation systems. The amount of the deduction is thirty percent of the cost of a solar power system, up to \$300, and fifty percent of the cost of a wind power system. Individuals who claim the deduction must include a certificate of approval from the Puerto Rico Department of Natural and Environmental Resources, and a certificate stating that the equipment has a warranty of five or more years. In addition, taxpayers who claim a deduction for a wind-power system must show that the system was manufactured in Puerto Rico, or that at least fifty percent of the value of the system was added in Puerto Rico.

Income Tax Credit for Solar Energy Systems

An individual taxpayer is allowed a credit against his or her income tax for the acquisition and installation of solar energy equipment. During fiscal years 2009-10, the credit is 50% of the cost of the equipment and installation. The credit will not be allowed in fiscal years 2011 and beyond.

The solar equipment must:

- conform to the Energy Affairs Administration (EAA) norms and specifications;
- be installed by an EAA certified and registered installer; and
- come with a five-year factory or distributor warranty.

If the credit exceeds a taxpayer's tax liability, the tax may be carried forward for up to ten years.

TAX CREDITS FOR PURCHASE OR SALE

No relevant provisions were located.

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

Property Tax Exemption for Renewable Energy Equipment

Equipment that is used to generate electricity from renewable energy sources is exempt from property taxation. Renewable energy sources include:

- solar;

- wind;
- hydro;
- biomass;
- ocean thermal;
- wave or tidal energy; or
- any other energy whose use is clean, reliable, safe, and sustainable.

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

No relevant provisions were located.

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

Sales and Use Tax Exemption for Solar Energy Equipment

Equipment used to produce solar energy is exempt from the sales and use tax. In order to qualify for the exemption, equipment must be certified by the Energy Affairs Administration, and must come with a five-year warranty.

Excise Tax Exemption for Solar Equipment Used by Farmers

Bona fide farmers, defined as a certified farmer who derives at least fifty percent of his or her income from farming, are exempt from all excises on equipment that runs on power produced by solar energy, wind, hydro, or any other type of power except power produced by petroleum.

Energy Efficient Appliance Rebate Program

The Energy Affairs Office provides rebates for purchasers of ENERGY STAR[®] certified appliances. Items eligible for the rebate are:

- air conditioners;

- washing machines;

- refrigerators;

- dishwashers;

- water heaters; and

- freezers

Solar Energy Rebates

The Infrastructure Financing Authority offers rebates for homeowners who install photovoltaic solar energy systems. For residential systems, the rebate is \$4 per watt. Rebates are capped at the lesser of \$15,000 or fifty percent of the cost of the project. Systems must generate at least 2 kW in order to be eligible.

Solar Water Heater Rebates

The Infrastructure Financing Authority offers \$500 rebates to homeowners and tenants who purchase and install approved solar water heaters.

Green Energy Investment Reimbursements

The Administration of Energy Affairs is authorized to pay incentives to the owners of small scale green energy projects. An eligible project is any electrical power production project that uses green energy and that has a capacity of up to one hundred kilowatts. "Green energy" is defined as any of the following:

- conversion of municipal solid waste;
- combustion of gas derived from a landfill;
- anaerobic digestion;
- fuel cells;
- solar energy;
- wind energy;
- geothermal energy;
- renewable biomass combustion;

- combustion of gas derived from renewable biomass;
- combustion of biofuels derived exclusively from renewable biomass;
- qualifying hydroelectric energy;
- marine and hydrokinetic renewable energy;
- oceanic thermal energy; and
- any other source of energy subsequently defined by the Administration as renewable or alternative energy.

The incentives will be equal to the amount that results from multiplying the reference cost per watt of the technology used by the production unit by the installed capacity of the production unit. The resulting figure is then multiplied by the partial reimbursement percentage determined by the Administration for the technology used.

No incentive payment may be more than 60% of the cost of installing the production unit.

Section 8440j-1 amended 2010; sections 5151 and 8423 amended 2008; section 10405 amended 1996; regulations adopted 2010.

13 P.R. Laws §§ 8423; 8440j-1; 10405; 21 P.R. Laws § 5151 (2014); Act No. 83 of July 19, 2010; [Energy Program Regulation \(2010\)](#)

Puerto Rico, Transactional Requirements

ENERGY RETROFIT REQUIREMENTS

No relevant provisions were located.

ENERGY AUDITS

No relevant provisions were located.

ENVIRONMENTAL INSPECTIONS

No relevant provisions were located.

ENERGY USE DISCLOSURES

No relevant provisions were located

OTHER RELEVANT PROVISIONS

No other relevant provisions were located.

[Rhode Island](#)

[Rhode Island, Code Adoptions](#)

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

Rhode Island has adopted the 2012 version of the International Energy Conservation Code (IECC) with amendments, effective July 1, 2013.

Commercial energy code

Rhode Island has adopted the 2012 IECC with amendments, and with reference to ASHRAE 90.1-2010, effective July 1, 2013.

LOCAL OPTIONS FOR CODES

Local jurisdictions must adopt the statewide code.

NOTE: The International Green Construction Code, adopted by Rhode Island in 2010, applies only to buildings owned by state or local government.

Rule SBC-8 amended 2010; website history unknown.

[R.I. State Energy Conservation Code SBC-8 \(2013\); U.S. Dep't of Energy, Energy Efficiency & Renewable Energy, Building Energy Codes Program: Rhode Island DOE Status of State Energy Codes \(last visited Oct.. 19, 2015\)](#)

Rhode Island, Incentives and Tax Credits

STATE TAX INCENTIVES

Income Tax Credit for Renewable Energy Equipment

A taxpayer who owns, rents, or occupies a home in Rhode Island is eligible for a credit against personal and business income taxes for twenty-five percent of the cost of a renewable energy system. The system must be installed in the taxpayer's main or secondary residence. Eligible renewable energy systems are the following:

- photovoltaic systems (maximum cost \$15,000);

- solar domestic hot water systems (maximum cost \$7,000);
- active solar space heating systems (maximum cost \$15,000);
- wind energy systems; and
- geothermal system.

Photovoltaic systems may be either stand-alone systems, or systems connected to the power grid. All systems must have local permits for installation, and must pass local plumbing, mechanical, or electrical inspections.

All systems must meet performance standards as set out in the statutes. The maximum cost eligible for the credit is \$15,000 for photovoltaic, solar space heating, and geothermal systems, and \$7,000 for hot water and wind energy systems.

The following systems are not eligible for the credit:

- passive solar space heating or hot water systems;
- sunspaces or solar greenhouses;
- photovoltaic systems installed on boats or recreational vehicles;
- solar pool collectors;
- existing renewable energy systems;

- systems made up of used equipment;
- repairs and replacements of existing renewable energy systems; and
- wind systems installed on boats or installed vehicles.

Unused credits may not be carried over from one year to the next. If the taxpayer eligible for the credit is a corporation, partnership, or joint venture, the credit shall be divided in the same manner as income.

Sales and Use Tax Exemption

Some renewable energy products are exempt from the state sales and use tax. Exempt products are:

- solar photovoltaic modules or panels;
- solar thermal collectors;
- geothermal heat pumps;
- wind turbines, and the towers to mount the turbines;
- DC to AC inverters that interconnect with power lines; and
- mounting racks and ballast pans for solar collector, module, or panel installation.

TAX CREDITS FOR PURCHASE OR SALE

No relevant provisions were located.

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

Property Tax Exemption for Renewable Energy Systems

Cities and towns may exempt renewable energy systems from local property taxes.

If renewable energy systems are not exempt, the value of certain qualifying systems may not be assessed at more than the value of comparable conventional energy systems. The qualifying systems are those eligible for the income tax credit; see above.

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

No relevant provisions were located.

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

Low-Income Programs

The Office of Energy Resources and the Community Action Programs agencies offer low-income homeowners:

- energy audits;

- assistance replacing inefficient appliances;
- weatherization assistance; and
- repair or replacement of heating systems.

Details are available at the low-income program website of the [Office of Energy Resources](#).

PACE Program

In 2013 legislation was enacted to establish a Residential Property Assessed Clean Energy (PACE) program to help qualifying homeowners invest in specified energy efficiency and/or renewable energy improvements. It is a voluntary program that municipalities may choose to participate in. It is anticipated that the program will be in place by summer 2014.

Renewable energy measures eligible for PACE financing, alone or in combination with eligible energy efficiency measures, will include:

- solar domestic hot water system (appropriately sized for residence);
- solar electric (photovoltaic) system (appropriately sized system or unit on existing rooftops and parking shade structures; or a 20kW system or smaller unit installed on the ground within the boundaries of the existing residence);
- geothermal (5.5 tons of capacity or smaller, horizontal/vertical, ground, closed loop system);
- small wind system (20kW or smaller); and

- wood-pellet stoves.

Health and safety measures necessary to safely complete the proposed renewable measures (e.g., roof improvements, larger circuit boards, etc.) may be included in PACE financing but may not exceed more than 50% of the total renewable project cost.

Energy efficiency measures eligible for PACE financing, alone or together with eligible renewable energy measures, will include:

- energy star doors, windows and skylights;
- HVAC equipment;
- weatherization;
- seal and insulate heating and cooling distribution systems (e.g., ductwork, piping);

Health and safety measures necessary to safely complete the proposed energy efficiency measures (e.g., ventilation, venting, moisture remediation, vermiculite remediation, removal of knob and tube wiring, etc.) may be included in PACE financing but may not exceed more than 50% of the total efficiency project cost.

More information about PACE is available at the Office of Energy Resources [website](#).

Appliance Rebate Program

The Office of Energy Resources is no longer offering rebates for the purchase of ENERGY STAR® certified appliances.

Non-Utility Scale Renewable Energy Project Grants

The Office of Energy Programs Non-Utility Scale Renewable Energy Project Grants program is no longer accepting applications.

Others

No other statewide incentives were located. However, several utilities offer rebates or loans to customers for energy efficient retrofits to homes.

Sections 44-57-1, -3 enacted 2000; § 44-3-21 enacted 1980; § 44-57-4 amended 2005; § 44-57-5 amended 2009; § 44-18-30 amended 2014; §§ 39-26.5-1 to -11 enacted 2013; website history unknown.

[R.I. Gen. Laws §§ 39-26.5-1 to -11; ~~44-3-21~~; ~~-57-1~~, ~~-3~~, ~~-4~~, ~~-5~~; ~~-18-30\(57\)~~ \(2014\)](#)

Rhode Island, Transactional Requirements

ENERGY RETROFIT REQUIREMENTS

No relevant provisions were located.

ENERGY AUDITS

No relevant provisions were located.

ENVIRONMENTAL INSPECTIONS

No relevant provisions were located.

ENERGY USE DISCLOSURES

No specifically relevant provisions were located. The written disclosure provided by sellers must state all known deficient conditions.

OTHER RELEVANT PROVISIONS

Property owners are authorized to create binding, written agreements that provide for easements for access to sunlight. Easements will run with the land, and will be perpetual in the absence of any terms or conditions providing for termination.

Section 34-40-2 enacted 1981; section 5-20.8-2 amended 2009.

[R.I. Gen. Laws §§ 5-20.8-2, 34-40-2 \(2014\); 14-000-013 R.I. Code R. § 9.2 \(2014\) \("Disclosure Requirements for Sellers and Lessors"\)](#)

South Carolina

South Carolina, Code Adoptions

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

South Carolina has adopted the 2006 version of the International Energy Conservation Code (IECC), effective until January 1, 2013. The 2009 IECC applies to all new and renovated buildings and additions constructed within South Carolina after January 1, 2013.

Commercial energy code

South Carolina has adopted the 2006 version of the International Energy Conservation Code (IECC), effective until January 1, 2013. The 2009 IECC applies to all new and renovated buildings and additions constructed within South Carolina after January 1, 2013.

LOCAL OPTIONS FOR CODES

A local jurisdiction may appeal to the Building Codes Council for permission to adopt a variance from the statewide code based on special local conditions. The Council may approve a variance if the variance

- is consistent with the statewide code, "so that its application will not reduce statewide uniformity of effective energy conservation";
- does not discriminate against particular technologies, techniques, or materials;
- does not unnecessarily increase the cost of construction and operation of the building; or
- is necessary to protect the public health, safety, and welfare within the jurisdiction.

Section 60-10-30 amended 2012; § 60-10-40 added 2009; § 6-9-50 amended 2009; regulation section 8-236 adopted 2005.

[S.C. Code §§ 6-9-50, -10-30, -40 \(2015\); S.C. Code Regs. § 8-236 \(2014\); U.S. Dep't of Energy, Energy Efficiency & Renewable Energy, Building Energy Codes Program: South Carolina DOE Status of State Energy Codes \(last visited Oct. 29, 2014\)](#)

South Carolina, Incentives and Tax Credits

STATE TAX INCENTIVES

Income Tax Credit for Solar and Hydropower Systems

Taxpayers are allowed a credit against personal income tax for twenty-five percent of the costs incurred in the purchase and installation of a solar energy or small hydropower system. The credit may not exceed \$3,500 or one-half of the taxpayer's tax liability, whichever is less. If the amount of the credit is greater than \$3,500, the excess may be carried forward for up to ten years.

Manufactured Home Sales Tax Exemption

The sales tax on manufactured homes that meet statutory energy efficiency requirements is capped at \$300.

Until July 1, 2019, manufactured homes are exempt from the state sales tax if they:

- meet or exceed the energy efficiency standards of the U.S. Environmental Protection Agency or the U.S. Department of Energy; or
- are certified under the ENERGY STAR® program.

Sales Tax Holiday for Energy Efficient Appliances

Purchases of energy efficient appliances during the month of October are exempt from the state sales tax. Eligible products are those that cost no more than \$2,500, and include:

- dishwashers;
- clothes washers;

- air conditioners;
- ceiling fans;
- fluorescent light bulbs;
- dehumidifiers;
- programmable thermostats;
- refrigerators;
- doors; and
- windows.

TAX CREDITS FOR PURCHASE OR SALE

Energy Efficient Manufactured Home Tax Credit

Through July 1, 2019, purchasers of an energy efficient manufactured home from a licensed dealer in South Carolina are allowed a \$750 credit against their personal income tax. Energy efficient manufactured homes are those designated as meeting or exceeding the energy efficiency requirement of the U.S. Department of Energy or the U.S. Environmental Protection Agency, or manufactured homes certified under the ENERGY STAR® program.

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

No relevant provisions were located.

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

No relevant provisions were located.

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

ENERGY STAR® Appliance Rebates

The South Carolina Energy Office has exhausted the funds available for rebates for the purchase of ENERGY STAR® certified appliances or systems.

Energy Conservation Financing

Electric and gas utilities are authorized to enter into written agreements with customers and landlords of customers to finance the purchase price and installation costs of energy efficiency and conservation measures. Agreements may provide that the costs will be recovered by a meter conservation charge on the customer's electricity or natural gas account.

A failure to pay the meter conservation charge may be treated by the utility as a failure to pay the electricity or natural gas account, and the utility may disconnect electricity or natural gas service for nonpayment of the meter conservation charge.

Financing is available only for homes already occupied by the borrower. Financing under this program is not available for improvements that merely replace electrical appliances with natural gas, unless the borrower receives natural gas and electrical service from the same provider, or unless an electric appliance used for home heating is being replaced by an appliance that operates primarily on electricity but which has the capability of also operating on a secondary fuel source."

Other

Participating utilities offer financial incentives for customers who produce electricity using grid-tied solar, wind, biomass, geothermal and small-scale hydropower systems. Details are available [here](#).

Several local utilities offer rebates to customers who purchase qualifying energy efficient appliances, or who purchase ENERGY STAR® certified homes. Some utilities also offer grants or loans for energy efficient retrofits to homes.

Section 48-52-870 enacted 2008; §§ 12-6-3587 and -36-2110 amended 2009; §§ 12-36-2120 and 58-37-50 amended 2011; website history unknown.

[S.C. Code §§ 12-6-3587, -36-2110, -2120, 48-52-870; 58-37-50 \(2014\); S.C. Energy Office \(last visited Oct. 20, 2015\)](#)

South Carolina, Transactional Requirements

ENERGY RETROFIT REQUIREMENTS

No relevant provisions were located.

ENERGY AUDITS

No relevant provisions were located.

ENVIRONMENTAL INSPECTIONS

No relevant provisions were located.

ENERGY USE DISCLOSURES

Unless exempt pursuant to § 27-50-30, a property owner must provide a purchaser with a written disclosure statement, which must contain the language and be in the form promulgated by the commission. The [South Carolina Residential Property Condition Disclosure Statement](#) and [Addendum](#) that went into effect on August 1, 2013, are available online at the South Carolina Real Estate Commission's website. Disclosure of energy usage is not required, although a seller is required to disclose the existence of a "meter conservation charge" that allows an electrical or natural gas provider to recover the cost of energy efficiency and conservation measures.

OTHER RELEVANT PROVISIONS

No other relevant provisions were located.

Section 27-50-40 amended 2010

[S.C. Code. § 27-50-40 \(2015\)](#)

South Dakota

South Dakota, Code Adoptions

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

South Dakota has no statewide energy code. The 2009 version of the International Energy Conservation Code (IECC) has been adopted as the voluntary standard for residential construction, effective July 1, 2011.

Commercial energy code

South Dakota has no statewide energy code.

LOCAL OPTIONS FOR CODES

A county or municipality may adopt its own building code. If a code is adopted on or after July 1, 2015, the code must comply with the 2015 version of the International Building Code, with whatever additions or deletions the locality deems appropriate.

Sections 11-10-5 and 11-10-6 amended 2012; § 11-10-7 amended 2011; website history unknown.

[S.D. Codified Law §§ 11-10-5, -6, -7 \(2015\); U.S. Dep't of Energy, Energy Efficiency & Renewable Energy, Building Energy Codes Program: South Dakota DOE Status of State Energy Codes \(last visited Oct. 22, 2015\)](#)

South Dakota, Incentives and Tax Credits

STATE TAX INCENTIVES

No relevant provisions were located.

TAX CREDITS FOR PURCHASE OR SALE

No relevant provisions were located.

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

Small Renewable Energy Facilities Property Tax Exemption

Small renewable energy facilities are granted a partial exemption from the property tax. The exemption applies to the first \$50,000 or seventy percent of the assessed value of the renewable energy property, whichever was greater.

A small renewable energy facility is defined as a facility with less than five megawatts capacity. Renewable energy facilities are facilities that use any of the following:

- wind;
- solar;
- hydroelectric;
- hydrogen;
- biomass; or
- geothermal.

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

No relevant provisions were located.

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

Energy Efficient Appliance Rebates

The state Energy Office program that offered rebates to purchasers of Energy Star® certified appliances has closed.

Several local utilities offer rebates to customers who purchase qualifying energy efficient appliances. Some utilities also offer grants or loans for energy efficient retrofits to homes.

Statutes enacted 2010.

[S.D. Codified Laws §§ 10-4-42, -43, -44, -45 \(2015\)](#)

South Dakota, Transactional Requirements

ENERGY RETROFIT REQUIREMENTS

No relevant provisions were located.

ENERGY AUDITS

No relevant provisions were located.

ENVIRONMENTAL INSPECTIONS

No relevant provisions were located.

ENERGY USE DISCLOSURES

Energy disclosures are required for the sale of previously unoccupied new residential buildings of four units or less. The disclosure must be made on a form prepared by the Real Estate Commission.

The energy disclosure must state:

- whether the home was built to meet the energy efficiency standards of the International Energy Conservation Code of 2009 (IECC 2009);
- whether the home was built to any other energy efficiency standard and, if so, which one;
- the wall, foundation, and attic insulation R-values;
- the R-value of floors over unheated spaces;
- the window and door U-values; and
- whether the home contains ENERGY STAR® certified heating, cooling, or water heating systems.

The R and U values in the disclosure are to be compared to the minimum standards of the 2009 IECC for Zones 5 and 6.

The completed disclosure form must be provided prior to the signing of the purchase contract. The form must also be provided prior to closing, if changes have occurred or are requested, and at any other time upon request.

For new residential buildings that are completed and ready for occupancy but unsold, the completed disclosure form shall be made available to the buyer or prospective buyer by the builder or seller when the residence is shown and at any other time upon request.

OTHER RELEVANT PROVISIONS

Property owners are authorized to grant wind easements. Easements must be in writing, and recorded with the Register of Deeds.

Sections 11-10-8 added 2009; § 43-13-17 amended 2010; § 11-10-10 amended 2011.

[S.D. Codified Laws §§ 11-10-8, -10; 43-13-17 \(2015\)](#)

Tennessee

Tennessee, Code Adoptions

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

Tennessee has adopted the 2009 version of the International Residential Code (IRC) and the 2006 version of the International Energy Conservation Code (IECC). Builders are encouraged to use the 2009 code standards for new construction.

"The State Residential Building Code Enforcement Program applies to one- and two-family dwellings and townhouses in areas of the state that have not: 1) received an exemption from the State Fire Marshal's Office by having local building codes enforced by the local government, or 2) opted out of state residential building codes and enforcement by a 2/3 vote of the city or county's legislative body."

Commercial energy code

Tennessee has adopted the 2006 version of the International Energy Conservation Code (IECC). Builders are encouraged to use the 2009 code standards for new construction.

LOCAL OPTIONS FOR CODES

A county or municipality may adopt a more stringent energy code.

Section 40780-02-23.02 adopted 2010; website history unknown.

[Tenn. Comp. R. & Regs. 0780-02-23.02 \(2015\)](#); [U.S. Dep't of Energy, Energy Efficiency & Renewable Energy, Building Energy Codes Program: Tennessee DOE Status of State Energy Codes \(last visited Oct. 27, 2015\)](#)

Tennessee, Incentives and Tax Credits

STATE TAX INCENTIVES

No relevant provisions were located.

TAX CREDITS FOR PURCHASE OR SALE

No relevant provisions were located.

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

No relevant provisions were located.

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

No relevant provisions were located.

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

Energy Efficient Appliances

The Department of Economic and Community Development program to provide rebates to purchasers of new, efficient ENERGY STAR® qualified appliances has exhausted its funding. No new applications are being accepted.

Others

Several local utilities offer rebates to customers who purchase qualifying energy efficient appliances. Some utilities also offer grants or loans for energy efficient retrofits to homes.

Also, many Tennessee power distributors participate in the Tennessee Valley Authority's (TVA) Green Power Switch program, which offers production incentives for alternative energy projects to residential and small commercial customers. In addition, incentives for photovoltaics are offered to large commercial customers.

Eligible projects must not have generated power into the grid before January 2008 or must use new renewable resources with existing equipment.

The Green Power Providers program website provides a current list of TVA distribution utilities in Tennessee participating in the program. Customers who are served directly by TVA are also eligible.

Websites history unknown.

[Tennessee Valley Authority, Green Power Providers \(last visited Oct. 27, 2015\)](#)

Tennessee, Transactional Requirements

ENERGY RETROFIT REQUIREMENTS

No relevant provisions were located.

ENERGY AUDITS

No relevant provisions were located.

ENVIRONMENTAL INSPECTIONS

No relevant provisions were located.

ENERGY USE DISCLOSURES

Disclosure of energy usage is not required.

OTHER RELEVANT PROVISIONS

Property owners may enter into written agreements that create easements for access to sunlight for solar energy systems. Solar easements are presumed to run with the land.

Sections 66-9-202, -205 enacted 1979.

Tenn. Code §§ 66-9-202, -205 (2014)

Texas

Texas, Code Adoptions

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

Effective January 1, 2012, the energy efficiency provisions of the International Residential Code, as they existed on May 1, 2009, are adopted as the energy code for single-family residential construction.

On September 1, 2016, the energy efficiency provisions of the International Residential Code, as they existed on May 1, 2015, are adopted as the energy code for single-family residential construction.

Commercial energy code

As of October 2015, the IECC as it existed on May 1, 2009, is adopted as the energy code for all commercial and industrial construction. The State Energy Conservation Office may adopt and substitute for that code the latest published edition of the IECC and establish an effective date that is not earlier than nine months after the adoption date.

LOCAL OPTIONS FOR CODES

A municipality may make amendments to the statewide codes that are no less stringent than the statewide codes.

Section 388.003 amended 2015; regulation section 19.53 adopted 2010; website history unknown.

[Tex. Health & Safety Code § 388.003](#) (amended by [2015 Tex. Acts H.B. 1736](#)); [34 Tex. Admin. Code § 19.53 \(2015\)](#); [U.S. Dep't of Energy, Energy Efficiency & Renewable Energy, Building Energy Codes Program: Texas DOE Status of State Energy Codes \(last visited Apr. 29, 2014\)](#)

Texas, Incentives and Tax Credits

STATE TAX INCENTIVES

Sales Tax Holiday for Energy Efficient Appliances

Sales of certain Energy Star® rated appliances are exempt from state and local sales and use taxes on Memorial Day weekend. The exemption applies to the following appliances:

- air conditioners with a sales price of no more than \$6,000;
- clothes washers;
- ceiling fans;
- dehumidifiers;
- dishwashers;
- incandescent or fluorescent lightbulbs;
- programmable thermostats; and
- refrigerators with a sales price of no more than \$2,000.

Additional details regarding this program can be found [here](#).

TAX CREDITS FOR PURCHASE OR SALE

No relevant provisions were located.

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

Property Tax Exemption for Renewable Energy Equipment

Property owners are entitled to a property tax exemption for the portion of the value of their property that arises from the installation of solar or wind-power energy that is used primarily for energy for on-site use. A "solar energy device" is defined in the law as "an apparatus designed or adapted to convert the radiant energy from the sun, including energy imparted to plants through photosynthesis employing the bioconversion processes of anaerobic digestion, gasification, pyrolysis, or fermentation, but not including direct combustion, into thermal, mechanical, or electrical energy; to store the converted energy, either in the form to which originally converted or another form; or to distribute radiant solar energy or the energy to which the radiant solar energy is converted."

Contractual Assessments for Energy Efficiency Improvements

Local governments have been granted the authority to grant loans for the installation of distributed generation renewable energy sources or energy efficiency improvements. Eligible improvements must be permanently fixed to the property. Loans may be limited to an area designated by the local government.

Loans may not be made for improvements to undeveloped property, or for improvements to "lots undergoing development."

Loans for improvements are repaid through property tax assessments. Repayment is secured by a lien on the property. For additional information see the [Energy Conservation Office website](#).

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

No relevant provisions were located.

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

Weatherization Assistance Program

The Texas Department of Housing and Community Affairs administers a program to help low-income utility customers control energy costs. The program provides financial assistance for energy audits and weatherization.

Eligibility is determined on a case-by-case basis, and there is no guarantee that funds will be available for the program. Details are available at the program [website](#).

Texas Energy Efficiency

Texas law requires investor-owned utilities to offer customers incentives to implement energy saving measures. The incentives are determined by each company. Details are available on the [Texas Energy Efficiency](#) website.

Property Assessed Clean Energy (PACE) Financing

Effective 2013, Texas law authorizes municipal and county governments to offer residents loans for "qualified improvements." A qualified improvement is "a permanent improvement fixed to real property and intended to decrease water or energy consumption or demand, including a product, device, or interacting group of products or devices on the customer's side of the meter that uses energy technology to generate electricity, provide thermal energy, or regulate temperature."

Improvements may be made to privately owned commercial or industrial real property or residential real property with five or more dwelling units. Loans are repaid as a special property tax assessment on the property. For additional information see the [Energy Conservation Office website](#).

Other

No other statewide incentives were located. However, several local utilities offer rebates to customers who purchase qualifying energy efficient appliances. Some utilities also offer grants or loans for energy efficient retrofits to homes.

Local Government Code sections 376.001, 376.002, 376.004, 376.007, 376.008 enacted 2009; ch. 399 enacted 2013; Tax Code section 151.333 enacted 2007; section 11.27 amended 1991; website history unknown.

[Tex. Loc. Gov't Code §§ 376.001, -.002, -.004, -.007, -.008; Tax Code §§ 11.27, 151.333 \(2013\)](#); Tex. Loc. Gov't Code ch. 399 (2013)

Texas, Transactional Requirements

ENERGY RETROFIT REQUIREMENTS

No relevant provisions were located.

ENERGY AUDITS

No relevant provisions were located.

Home inspectors are not required to determine the sizing, efficiency or adequacy of a heating or cooling system.

ENVIRONMENTAL INSPECTIONS

No relevant provisions were located.

However, the statutory property disclosure form requires the seller to disclose any of the following located on the property:

- hazardous or toxic waste;
- asbestos;
- urea formaldehyde insulation;
- aluminum wiring;
- previous fires;
- subsurface structures or pits;
- any condition on the property that materially affects an individual's physical health or safety;
- natural or liquid propane gas; and
- as of September 1, 2013, a "rainwater harvesting system located on the property that is larger than 500 gallons and that uses a public water supply as an auxiliary water source."

Effective January 1, 2016, the seller must also indicate whether any portion of the property is located in a groundwater conservation or subsidence district.

ENERGY USE DISCLOSURES

Disclosure of energy usage is not required, except in communities with a local law or ordinance requiring such disclosure (for example, Austin).

OTHER RELEVANT PROVISIONS

A property owners' association may not include or enforce a requirement that prohibits or restricts a property owner from installing a solar energy device.

A solar energy device may be prohibited if:

- it threatens the public health or safety or violates a law;
- is located on property owned or maintained by the property owners' association;
- is located on property owned in common by the members of the property owners' association;
- is located in an area on the property owner's property other than on the roof of the home or of another structure or in a fenced yard or patio owned and maintained by the property owner;
- if mounted on the roof of the home:
 - extends higher than or beyond the roofline;
 - is located in an area other than an area designated by the property owners' association, unless the alternate location increases the estimated annual energy production of the

device by more than 10 percent above the energy production if located in an area designated by the association;

- does not conform to the slope of the roof and has a top edge that is not parallel to the roofline; or
- has a frame, a support bracket, or visible piping or wiring that is not in a silver, bronze, or black tone commonly available in the marketplace;
- if located in a fenced yard or patio, is taller than the fence line;
- as installed, voids material warranties; or
- was installed without prior approval by the property owners' association.

A property owners' association may not withhold approval for installation of a solar energy device if the provisions of the dedicatory instruments are met or exceeded, unless the association determines in writing that placement of the device constitutes a condition that substantially interferes with the use and enjoyment of land by causing unreasonable discomfort or annoyance to persons of ordinary sensibilities. The written approval of the proposed placement of the device by all property owners of adjoining property constitutes prima facie evidence that such a condition does not exist.

Effective September 1, 2015, during the development period for a development with fewer than 51 planned residential units, a property owner may be prohibited or restricted from installing a solar energy device. "Residential unit" means a single-family house or a separate living unit in a duplex, triplex or quadplex.

Sections amended 2015.

[Tex. Prop. Code § 202.010](#) (amended by [S.B. 1626, 84th Leg. Reg. Sess. \(Tex. 2015\)](#)); [Tex. Prop. Code § 5.008\(a\), \(e\) \(2013\)](#) (as amended by [H.B. 1221, 84th Leg., Reg. Sess. \(Tex. 2015\)](#))

Utah

Utah, Code Adoptions

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

Utah has adopted the 2012 version of the International Energy Conservation Code (IECC), effective May 12, 2015, with statewide amendments.

Commercial energy code

Utah has adopted the 2012 version of the IECC, with statewide amendments.

LOCAL OPTIONS FOR CODES

Local jurisdictions may not depart from the statewide codes.

Section 15A-2-103 amended 2015; §§ 15A-3-701 amended 2013; § 15A-4-701 enacted 2011; website history unknown.

[Utah Code Ann. §§ 15A-2-103, 3-701, 4-701 \(2015\)](#)

Utah, Incentives and Tax Credits

STATE TAX INCENTIVES

Renewable Energy Systems Tax Credit

A credit against individual or corporate income tax is provided for the purchase, and installation of an eligible renewable energy system. For systems installed on residential properties, the credit is 25% of the cost of the system, up to a maximum of \$2,000, per residential unit. The credit may be claimed for the taxable year in which the system is completed and placed in service. A credit exceeding tyhe taxpayer's tax liability may be carried forward for not more than the next four taxable years

For residential installations, eligible systems include:

- active or passive solar systems;
- wind systems;
- hydroenergy for generating electricity or mechanical power;
- geothermal heat pump systems;
- direct use geothermal systems; and
- biomass systems.

Building improvements or upgrades are not eligible for the credit, unless integrated into a renewable energy system. In addition, high energy furnaces or air conditioning systems are not eligible.

TAX CREDITS FOR PURCHASE OR SALE

No relevant provisions were located.

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

No relevant provisions were located.

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

No relevant provisions were located.

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

Home Performance with ENERGY STAR®

The Home Performance with ENERGY STAR® program offers rebates to homeowners who made energy efficiency improvements to their homes. Rebates are no longer available.

Others

No other statewide incentives were located. However, several local utilities offer rebates to customers who purchase qualifying energy efficient appliances. Some utilities and municipalities also offer grants or loans for energy efficient retrofits to homes.

Sections amended 2015.

[Utah Code Ann. §§ 59-7-614, **59-10-1014 \(2015\)**](#)

Utah, Transactional Requirements **ENERGY RETROFIT REQUIREMENTS**

No relevant provisions were located.

ENERGY AUDITS

No relevant provisions were located.

ENVIRONMENTAL INSPECTIONS

No relevant provisions were located.

ENERGY USE DISCLOSURES

No relevant provisions were located.

OTHER RELEVANT PROVISIONS

Property owners are authorized to create binding, written agreements that provide for easements for access to sunlight.

Local governments may refuse to approve any plat, subdivision plan, or street dedication that has deed restrictions or covenants that prohibit, or have the effect of prohibiting, renewable energy devices.

Section 57-13-2 enacted 1979; section 10-9a-610 amended 2005.

[Utah Code §§ 10-9a-610, 57-13-2 \(2015\)](#)

Vermont

Vermont, Code Adoptions

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

Vermont has adopted a state-specific residential energy code.

The [2015 Vermont Residential Building Energy Standards](#) are based on the 2015 IECC and are effective March 1, 2015.

Commercial energy code

Vermont has adopted a state-specific commercial energy code.

The [2015 Vermont Commercial Building Energy Standards](#) are based on the 2015 IECC and, are effective March 1 2015.

LOCAL OPTIONS FOR CODES

Local jurisdictions may not make amendments to the statewide codes.

Website history unknown.

[U.S. Dep't of Energy, Energy Efficiency & Renewable Energy, Building Energy Codes Program: Vermont DOE Status of State Energy Codes \(last visited Oct. 20, 2015\)](#)

Vermont, Incentives and Tax Credits

STATE TAX INCENTIVES

Sales Tax Exemption for Renewable Energy Generating Equipment

The state sales tax does not apply to sales of:

- net metering systems;
- home or business energy systems that use renewable energy sources on premises not connected to the electric grid; or
- solar hot water heating systems.

TAX CREDITS FOR PURCHASE OR SALE

No relevant provisions were located.

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

Property Tax Exemption for Alternate Energy Sources

Local governments are authorized to provide a real and personal property tax exemption for alternate energy sources. The term "alternate energy sources" is defined as any plant, structure or facility used for the generation of electricity or production of energy used on the premises for private, domestic, or agricultural purposes, no part of which may be for sale or exchange to the public. The term shall include, but not be limited to grist mills, windmills, facilities for the collection of solar energy or the conversion of organic matter to methane, net metering systems . . . and all component parts thereof including land upon which the facility is located . . .

"Renewable energy" is defined as "energy produced using a technology that relies on a resource that is being consumed at a harvest rate at or below its natural regeneration rate."

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

No relevant provisions were located.

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

Small Scale Renewable Energy Incentive Program

The Department of Public Service offers financial assistance for the installation of renewable energy systems. The systems that are eligible are:

- solar electric systems (grid-connected only);
- solar hot water systems;
- wind energy systems (grid-connected only); and
- micro-hydro systems (grid-connected).

There is no minimum size for eligible systems. There generally is no maximum size, except that solar electric systems may not be larger than 59 kW. Portable systems and solar hot water for swimming pools are not eligible for incentives.

Incentives will be provided to support the first 10 kW of installed capacity for a solar electric or wind system, the first 15,000 head-foot gallons per minute of a micro-hydro system, or the first 200 kBtu/day rating for solar hot water collectors.

Recipients may apply for incentives for more than one renewable system, whether installed at the same time or over multiple installations.

Additional details may be found [here](#). Changes to the program, including elimination of the wind turbine incentive, effective October 1, 2013, are summarized [here](#).

Efficiency Vermont Residential Programs

Efficiency Vermont offers funding to assist with energy efficiency home improvements. The incentives will pay for up to \$2,100 of the cost of sealing and insulating a home. The exact amount provided depends on the improvements in energy efficiency achieved.

Efficiency Vermont also offers rebates to homeowners who replace existing heating and cooling systems with energy efficient systems.

Details are available [here](#).

Property Assessed Clean Energy (PACE) Funding

Vermont allows local governments to create clean energy assessment districts, and to provide loans to property owners in the districts for renewable energy and energy efficiency projects. Property owners may opt in to the districts to receive loans. The loans are repaid through a special assessment charged as an additional line item on property tax bills.

The maximum amount that can be financed is 15% of the assessed value of the property, to a maximum of \$30,000 for residential properties of up to four units. The total amount financed plus any outstanding mortgages on the property cannot exceed 90% of the assessed value.

Eligible improvements are determined by the participating community, but may include the following:

- blower-door guided air sealing;
- insulation of walls, attic, or basement;
- energy efficient light fixtures (hard-wired);

- duct sealing and insulation:
- pipe insulation;
- heating system upgrades for higher efficiency (boiler, furnace, heat pump, distribution, controls);
- water heater replacement;
- ceiling fan installation;
- replacement or renovation of windows or doors;
- heat-recovery ventilation systems;
- efficient exhaust-only ventilation systems;
- hot water heat recovery systems; and
- services of an energy expert or professional.

Additional information is available from the Vermont Energy Investment Corporation at its [website](#).

Others

No other statewide incentives were located. However, several local utilities offer rebates to customers who purchase qualifying energy efficient appliances. Some utilities also offer grants or loans for energy efficient retrofits to homes.

Section 3261 enacted 2009; §§ 6523, 8002 amended 2011; § 8015 amended 2011; § 9741 amended 2012.

[Vt. Stat. tit. 30, § 8015](#); [tit. 32, §§ 3845, 9741](#); [tit. 24, § 3261](#); [tit. 30, § 8002 \(2015\)](#)

Vermont, Transactional Requirements

ENERGY RETROFIT REQUIREMENTS

No relevant provisions were located.

ENERGY AUDITS

No relevant provisions were located.

ENVIRONMENTAL INSPECTIONS

No relevant provisions were located.

ENERGY USE DISCLOSURES

No specific provisions related to energy use disclosures were located.

"Owner/builder" residential building projects are exempt from the technical requirements of the Vermont Residential Energy Code, but the owner/builder must meet certification requirements by completing and filing a disclosure statement at the town clerk's office where the home is located. The owner must evaluate whether the house meets the Code and if it does must file a Vermont Residential Building Energy Standards Certificate. If the Code is not met, the owner must file

the [Vermont Owner/Builder Disclosure Statement](#). For further information, see the [Vermont Residential Building Energy Code Handbook ch. 8 \(2015\)](#).

Note that 2011 Vt. Acts & Resolves ch. 47 created a "working group on building energy disclosure to study whether and how to require disclosure of the energy efficiency of commercial and residential buildings in order to make data on building energy performance visible in the marketplace for real property and inform the choices of those who may purchase or rent such property."

See [2011 Vt. Acts & Resolves ch. 47](#)

OTHER RELEVANT PROVISIONS

No deed restrictions, covenants, or other agreements may prohibit the installation of solar collectors, clotheslines, or other energy devices based on renewable resources. No entity with the authority to control the alteration of residential property may prohibit the installation of such equipment.

Section 544 adopted 2009; section 2296 amended 1997.

[Vt. Stat. tit. 26, § 2296, tit. 27, § 544 \(2015\)](#)

Virgin Islands

Virgin Islands, Code Adoptions

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

The Virgin Islands have adopted the 2009 version of the International Energy Conservation Code (IECC).

Commercial energy code

The Virgin Islands have adopted the 2009 version of the International Energy Conservation Code (IECC).

LOCAL OPTIONS FOR CODES

Adoption of the territory-wide codes is mandatory.

Section 292 amended 2011; website history unknown.

29 V.I. Code § 292 (2013); [U.S. Dep't of Energy, Energy Efficiency & Renewable Energy, Building Energy Codes Program: U.S. Virgin Islands DOE Status of State Energy Codes \(last visited Oct. 20, 2015\)](#)

Virgin Islands, Incentives and Tax Credits

STATE TAX INCENTIVES

Equipment or component parts brought into the Virgin Islands for the purpose of manufacturing of solar water heaters or wind or solar energy systems are exempt from customs duties and excise tax.

Retailers and installers who receive such exemptions "shall pass on the savings to consumers."

TAX CREDITS FOR PURCHASE OR SALE

No relevant provisions were located.

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

The assessed value of property, for property tax purposes, does not include any additional value that the construction or installation of a renewable or alternative energy production plant or device adds.

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

No relevant provisions were located.

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

Energy Efficiency and Renewable Energy Rebate Program

Until April 30, 2012, the Virgin Islands Energy Office will provide rebates for the purchase of certain energy efficient products and renewable energy equipment. Products must be purchased from approved vendors. Purchases of the components for complete renewable energy systems made from off-island vendors are eligible for rebates, if the buyer submits proof that the purchase cost (including shipping) was lower than it would have been from a Virgin Islands seller.

Eligible products include the following:

- solar water heaters;

- photovoltaic panels;

- wind turbine generators;

- sine wave inverters;

- deep cycle battery banks; and
- charge controllers

Weatherization

The Virgin Islands Energy Office Weatherization Program assists low-income families in making energy efficiency improvements.

Sun Power Loans

The Virgin Islands Energy Office has partnered with Virgin Islands Water and Power Authority (WAPA) and the Economic Development Authority to provide loans for solar thermal devices and installations. Loans are made to residential or small business customers of WAPA.

In order to be eligible, an applicant for a loan must be:

- a residential or small business customer with average monthly electricity usage between 1,200 to 2,000 kilowatt hours per month;
- the vested owner of the property where the system will be installed;
- occupying the property as a primary residence;
- approved for financing before the purchase or installation of the system; and
- in good standing with WAPA (a twelve-month history of satisfactory payments).

Applicant must obtain quotes for the cost of a system cost plus installation from the list of approved vendors. Applications will be accepted for processing only if submitted with a quote for the equipment cost and installation, along with appropriate financial information or records necessary for the loan evaluation process.

Loan payments will be reflected as a recurring cost on the customer's monthly WAPA bill.

Section 1124 enacted 2009; §§ 1123 and 1125 amended 2010; § 2404 amended 2009.

V.I. Code tit. 23, §§ 1123, 1124, 1125; tit. 33, § 2404 (c) (2013)

Virgin Islands, Transactional Requirements

ENERGY RETROFIT REQUIREMENTS

No relevant provisions were located.

ENERGY AUDITS

No relevant provisions were located.

ENVIRONMENTAL INSPECTIONS

No relevant provisions were located.

ENERGY USE DISCLOSURES

No relevant provisions were located.

OTHER RELEVANT PROVISIONS

A covenant or restriction in a deed that prohibits or unreasonably limits the installation or use of a solar or wind energy system is void and unenforceable. A limitation is unreasonable if it "increases the cost and expense of the solar or wind energy system to its owner or user, or decreases its efficiency, or otherwise effectively discourages the installation or use of a solar or wind energy system."

As a condition of the approval of a plot or subdivision plan, the Planning Director shall require a dedication of easements for access to sunlight and wind power.

Section added 2009.

V.I. Code tit. 23, §§ 1156 (2013)

Virginia

Virginia, Code Adoptions

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

The Virginia Board of Housing and Community Development has adopted the 2012 version of the International Energy Conservation Code (IECC), effective July 1, 2014, as part of the [Virginia Uniform Statewide Building Code](#). The 2009 IECC may be used until then.

Commercial energy code

Effective July 14, 2014, Virginia has adopted the 2012 version of the IECC, with amendments, for commercial buildings.

LOCAL OPTIONS FOR CODES

Local jurisdictions may not make amendments to the statewide codes.

Section 36-98 amended 2006; regulation 5-63-10 amended 2010; website history unknown.

[Va. Code § 36-98 \(2012\)](#); [13 V.A.C. § 5-63-10 \(2015\)](#); [U.S. Dep't of Energy, Energy Efficiency & Renewable Energy, Building Energy Codes Program: Virginia DOE Status of State Energy Codes \(last visited Oct. 19, 2015\)](#)

Virginia, Incentives and Tax Credits

STATE TAX INCENTIVES

No relevant provisions were located

TAX CREDITS FOR PURCHASE OR SALE

No relevant provisions were located.

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

Property Tax Assessments for Energy Efficient Buildings

Local governments are authorized to tax energy efficient buildings (but not the land on which the buildings are situated) at a rate different from other property. "Energy efficient buildings" are defined as buildings that:

- exceed the energy standards of the state building code by thirty percent;

- meet or exceed the performance standards of the Green Globes Building Rating System of the Green Building Initiative;

- meet or exceed performance standards of the Leadership in Energy and Environmental Design Green Building Rating System of the U.S. Green Building Council;

- meet or exceed performance standards or guidelines under the EarthCraft House Program;
or

- are Energy Star qualified homes, under the Energy Star program of the United States Environmental Protection Agency.

Property Tax Exemption for Solar Energy Equipment

Local governments are authorized to provide a full or partial property tax exemption for certified solar energy equipment.

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

The Department of Mines, Minerals and Energy program that offered rebates for the cost of home energy audits expired in 2010. The Department does not anticipate reopening the program.

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

Property Assessed Clean Energy (PACE) Funding

Virginia authorizes local governments to establish loan programs to provide financing for clean energy improvements to property owners. Loans are repaid by a special property tax assessment on the property, or through water or sewer bills, or through other means. A lien may be placed on the affected property to secure repayment.

Governments that establish such a program may determine the minimum and maximum loan amounts, as well as the improvements to be financed. Private lenders may be authorized to participate in the program.

Voluntary Solar Resource Development Fund Loans

The Voluntary Solar Resource Development Fund, created by the General Assembly in 2011, establishes a revolving loan fund to be administered by the Virginia Department of Mines, Minerals and Energy (DMME). The Fund will be fueled primarily by donations from customers of investor-owned electric utilities and will create a source of money from which loans are made for eligible solar energy projects. As loan repayments are made, funds become available for new loans.

DMME is prohibited from issuing any loans until July 1, 2012. The first year of the program will be used to collect donations and grow the fund from which loans can be made, and to develop the loan program terms and conditions. DMME may delay the issuance of loans if there is an insufficient balance in the fund. Once the program commences, DMME is required to loan funds to applicants in the order that their completed applications are received.

Eligible projects include the acquisition, installation, and operation of eligible solar equipment at residences, structures operated by nonprofit organizations, or commercial establishments. The program expires July 1, 2016.

Others

The Department of Mines, Minerals and Energy program that offered rebates for the installation of energy efficient heating and cooling systems, and for solar energy equipment, expired in 2010. The Department does not anticipate reopening the program.

The Virginia Department of Mines, Minerals and Energy (DMME) closed the state rebate programs for Energy Star and Super Efficient appliances, heating/cooling equipment, and other energy efficient systems on March 19, 2012. Applicants on the rebate wait list will not be approved, and the wait list will be abolished since all rebate funds have been committed and no funds will remain for wait-listed applicants.

The DMME Home Efficiency Rebate Program closed to new applicants on February 17, 2012.

DMME closed the Geothermal Heat Pump Rebate Program to new applicants on December 31, 2011 in order to allow time to close out currently-approved claims before the funding expires in April 2012.

No other statewide incentives were located. However, several local utilities offer rebates to customers who purchase qualifying energy efficient appliances. Some utilities also offer grants or loans for energy efficient retrofits to homes.

Section 58.1-3221.2 amended 2009; §§ 67-1300 to -1305 enacted 2011, expired July 1, 2016; § 58.1-3661 amended 2014; § 15.2-958.3 amended 2015; website history unknown.

[Va. Code §§ 15.2-958.3, 58.1-3221.2, -3661; 67-1300 to -1305 \(2015\)](#)

Virginia, Transactional Requirements

ENERGY RETROFIT REQUIREMENTS

No relevant provisions were located.

ENERGY AUDITS

No relevant provisions were located.

ENVIRONMENTAL INSPECTIONS

There is no requirement that an inspection be performed as a part of a real estate transaction. If an inspection is conducted by a certified home inspector, the minimum inspection must include inspection of the energy source for heating, air conditioning, and hot water heating. Solar water heaters are explicitly exempted from the minimum inspection requirements.

ENERGY USE DISCLOSURES

Disclosure of energy usage is not required.

OTHER RELEVANT PROVISIONS

Community associations may not prohibit a property owner from installing a solar collection device on his or her property unless the recorded declarations for the association establish such a prohibition. An association may enact reasonable restrictions regarding the size, place, and manner of placement of solar devices.

Property owners are authorized to enter into agreements that provide for easements for protecting and maintaining access to sunlight. Such easements must be in writing, and are subject to the same recording requirements as other easements.

Sections 55-352, -352 enacted 1978; section 67-701 amended 2014; section 55-519 amended 2015; regulation section 15-40-130 amended 2011.

[Va. Code §§ 55-352, -353, -519, 67-701 \(2015\); 18 Va. Admin. Code § 15-40-130 \(2015\); Residential Property Disclosures Website \(last visited Oct. 19, 2015\)](#)

Washington

Washington, Code Adoptions

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

Effective July 1, 2013, Washington has adopted the 2012 version of the International Energy Conservation Code (IECC), with amendments. The Washington amendments to the residential portions of the code are available for [download](#). The 2009 IECC, with state amendments, is effective until July 1, 2013.

New affordable housing construction projects that receive state funds must meet separate environmental criteria, including energy efficiency.

Commercial energy code

Effective July 1, 2013, Washington has adopted the 2012 version of the International Energy Conservation Code (IECC), with amendments. The Washington amendments to the nonresidential portions of the code are available for [download](#). The 2009 IECC, with state amendments, is effective until July 1, 2013.

LOCAL OPTIONS FOR CODES

Cities and counties may, with the approval of the State Building Code Council, adopt local amendments to the statewide code. Local amendments may not reduce the minimum standards of the statewide code.

Section 19.27.040 amended 1990; regulation ch. 51-11 amended 2010; sustainable development standards adopted 2008; website history unknown.

[Wash. Rev. Code § 19.27.040 \(2014\)](#); [Wash. Admin. Code chs. 51-11C; -11R \(2014\)](#); [U.S. Dep't of Energy, Energy Efficiency & Renewable Energy, Building Energy Codes Program: Washington DOE Status of State Energy Codes \(last visited Oct. 25, 2015\)](#)

Washington, Incentives and Tax Credits

STATE TAX INCENTIVES

Sales Tax Exemption for Renewable Energy Generating Equipment

Through June 30, 2011, equipment used directly to generate electricity from any of the following is exempt from the state sales and use tax:

- fuel cells;

- wind;

- solar power;

- biomass;

- tidal or wave energy;

- geothermal resources;

- anaerobic digestion; or

- exhaust or landfill gas.

Effective July 1, 2011, through June 30, 2013, the exemption is 75% of the state and local sales tax paid. The exemption is in the form of a remittance to the purchaser.

The exemption applies only to equipment capable of generating at least 1,000 watts of electricity.

TAX CREDITS FOR PURCHASE OR SALE

No relevant provisions were located.

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

Research located no real property tax rebates, incentives, or exemptions.

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

Washington State University is authorized to start a pilot program to provide energy audits in certain urban areas.

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

Renewable Energy System Cost Recovery

Homeowners who generate power from renewable energy systems are eligible to receive cost-recovery incentives for each kilowatt-hour of electricity produced. "Renewable energy systems" include:

- solar energy systems;

- anaerobic digesters; or
- wind generators.

Incentives will be paid by the light and power business that serves the homeowner, and are capped at \$2,000 per year. The amount of the payments is calculated from a base rate of \$0.15 per kilowatt hour, multiplied by an "economic development factor" that varies according to the type of equipment used and where the equipment was manufactured. The economic development factors are as follows:

- solar modules manufactured in Washington state - factor of 2.4;
- solar or wind generating equipment with an inverter manufactured in Washington state - factor of 1.2;
- wind system with blades manufactured in Washington state; anaerobic digester; other solar power system - factor of 1; and
- other wind generation system - factor of 0.8.

The factors are cumulative; for example, a solar system with both modules and an inverter manufactured in Washington state would use an economic development factor of 3.6 (2.4 plus 1.2).

The incentive program is scheduled to expire in 2014.

Weatherization Program

The Washington weatherization program provides low-income residents with no-cost weatherization services through local-area agencies. The income eligibility guidelines for 2015 are

available [here](#). A list of local participating agencies and utilities is available [here](#). See generally [Washington Weatherization Program website](#).

Energy Efficiency Rebate Program

The Department of Commerce program to pay rebates for energy efficient appliances has expired.

Others

No other statewide incentives were located. However, numerous local utilities offer rebates to customers who purchase qualifying energy efficient appliances. Some utilities also offer grants or loans for energy efficient retrofits to homes. See list of participating utilities and program descriptions [here](#).

Sections 70.260.020 enacted 2009; § 82.08.962 amended 2013; §§ 82.16.110 and 82.16.120 amended 2010; regulation § 458-20-073 amended 2014.

[Wash. Rev. Code §§ 70.260.020; 82.08.962, .16.110, 82.16.120 \(2015\); Wash. Admin. Code § 458-20-073 \(2015\)](#)

Washington, Transactional Requirements

ENERGY RETROFIT REQUIREMENTS

No relevant provisions were located.

ENERGY AUDITS

No relevant provisions were located.

ENVIRONMENTAL INSPECTIONS

No relevant provisions were located.

ENERGY USE DISCLOSURES

The standard residential seller's disclosure form does not require disclosure of energy usage. Generally, real estate licensees have a duty to disclose all existing material facts known by the licensee and not apparent or readily ascertainable to a party. . . ." The duty to disclose does not impose a duty to make an investigation, unless otherwise agreed.

A commercial building owner or operator, or its agent, must disclose "the United States environmental protection agency's energy star portfolio manager benchmarking data and ratings" for the "most recent continuously occupied twelve-month period" to any prospective buyer, lessee, or lender. A building owner or operator or an agent that provides this information to a prospective buyer, lessee, or lender is not required to provide additional information regarding energy consumption. This provision is not intended to increase or decrease a building owner's or operator's (their agent's) duties or to alter a seller's, agent's, or broker's duty to disclose a material fact affecting the real property.

OTHER RELEVANT PROVISIONS

Solar rights

Property owners may enter into agreements to provide easements for continued access to direct sunlight for solar energy systems.

Homeowners' associations may not prohibit the installation of solar energy panels by an owner or resident as long as the panel meets applicable health and safety standards, and is certified by the appropriate accrediting agency. Reasonable restrictions on placement may be adopted.

Section 64.38.055 enacted 2009; § 18.86.030 amended 2013; § 64.04.140 enacted 1979; § 64.06.020 amended 2012; § 19.27A.170 enacted 2009.

[Wash. Rev. Code §§ 18.86.030; 19.27A.170; 64.04.140, .06.020; .38.055 \(2015\)](#)

West Virginia

West Virginia, Code Adoptions

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

West Virginia has adopted the 2009 version of the International Energy Conservation Code (IECC), effective November 30, 2013.

The State Fire Commission has adopted the 2012 family of I-codes, with the exception of the energy code which would move to the 2009 IECC.

Commercial energy code

West Virginia has adopted the 2009 version of the International Energy Conservation Code (IECC).

The State Fire Commission has adopted ASHRAE 90.1-2007 for commercial buildings.

LOCAL OPTIONS FOR CODES

Local jurisdictions may adopt the statewide building codes.

Section 29-3-5 amended 2010; § 29-3-5b amended 2009; sections 7-1-3N and 8-12-13 history unknown; regulations title 87 amended 2010; website history unknown; Fire Commission rules adopted 2013.

[W. Va. Code §§ 29-3-5b, 7-1-3n, 8-12-13 \(2015\); W. Va. Code St. R. § 87-4-4 \(2013\); U.S. Dep't of Energy, Energy Efficiency & Renewable Energy, Building Energy Codes Program: West Virginia DOE Status of State Energy Codes \(last visited Oct. 17, 2015\)](#)

West Virginia, Incentives and Tax Credits

STATE TAX INCENTIVES

Energy Efficient Appliance Sales Tax Exemptions

Legislation that established a temporary sales tax exemption for sales of Energy Star® products has expired.

Residential Solar Energy Tax Credit

Taxpayers who install a solar energy system on their own residential property are entitled to a credit against income tax. The credit is equal to thirty percent of the cost of the equipment and installation, up to a maximum credit of \$2,000.

In order to qualify for the credit, the system must use solar energy to:

- generate electricity;
- heat or cool a structure; or
- provide hot water for use in the structure or to provide solar process heat.

Swimming pools, hot tubs or other energy storage media that have functions other than storage are not eligible for the credit.

TAX CREDITS FOR PURCHASE OR SALE

No relevant provisions were located.

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

No relevant provisions were located.

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

No relevant provisions were located.

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

Energy Efficient Appliance Rebates

The Department of Environmental Protection's mail-in rebate program for purchases of appliances with ENERGY STAR® certification has expired.

Sections 11-13Z-1, -2 enacted 2009; section 11-15-9k enacted 2008. Website history unknown.

[W. Va. Code §§ 11-13Z-1, -2, -15-9k \(2015\)](#)

[West Virginia, Transactional Requirements](#)

ENERGY RETROFIT REQUIREMENTS

No relevant provisions were located.

ENERGY AUDITS

No relevant provisions were located.

ENVIRONMENTAL INSPECTIONS

No relevant provisions were located.

ENERGY USE DISCLOSURES

In general, West Virginia sellers of property are under no obligation to make any disclosures.

OTHER RELEVANT PROVISIONS

Any covenant, restriction or condition contained in any governing document of a housing association executed or recorded after June 8, 2012 that prohibits or restricts the installation or use of a solar energy system is void and unenforceable. However, the association may, by member vote, establish or remove such a restriction.

Provisions establishing reasonable restrictions are not prohibited.

Section 36-4-19 enacted 2012.

[W. Va. Code § 36-4-19 \(2013\)](#)

Wisconsin

Wisconsin, Code Adoptions

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

Wisconsin has adopted a state-specific code based on the 2009 version of the International Energy Conservation Code (IECC), with amendments, effective September 1, 2011. It may be found [here](#).

Commercial energy code

Wisconsin has adopted the 2009 IECC as its energy code for commercial buildings and structures, and residential buildings with three or more units, with amendments found [here](#), as of September 1, 2011.

LOCAL OPTIONS FOR CODES

The codes, as amended, are mandatory statewide in residential and commercial construction.

Regulations Chapter 322 amended 2011; Ch. 363 amended 2011; website history unknown.

[Wis. Admin. Code SPS ch. 322; 363 \(2014\); U.S. Dep't of Energy, Energy Efficiency & Renewable Energy, Building Energy Codes Program: Wisconsin DOE Status of State Energy Codes \(last visited Oct. 20, 2015\)](#)

Wisconsin, Incentives and Tax Credits

STATE TAX INCENTIVES

Renewable Energy Sales Tax Exemptions

Sales of biomass used for fuel in a residential building are exempt from the state sales and use tax.

"Biomass" is defined as "a resource that derives energy from wood or plant material or residue, biological waste, crops grown for use as a resource or landfill gases."

Effective July 1, 2011, electrical generation equipment that uses renewable energy is exempt from the sales and use tax. The equipment must be capable of producing 200 watts of alternating current or 600 British Thermal Units per day. Qualifying equipment has a power source that is wind energy, direct radiant solar energy, or gas generated from anaerobic digestion of agricultural waste.

TAX CREDITS FOR PURCHASE OR SALE

No relevant provisions were located.

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

Renewable energy system property tax exemption

Wisconsin provides a general property tax exemption for solar and wind energy systems.

A "solar energy system" is defined as equipment that "directly converts and then transfers or stores solar energy into usable forms of thermal or electrical energy . . ." The term does not include equipment or components that would be part of a conventional energy system, or systems that operate without mechanical means.

A "wind energy system" means equipment that "converts and then transfers or stores energy from the wind into usable forms of energy, but does not include equipment or components that would be present as a part of a conventional energy system."

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

No relevant provisions were located.

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

Home Performance assistance program

Focus on Energy, a partnership of the Wisconsin Public Utilities Commission and a consortium of energy utilities, offers income qualified homeowners low-cost assistance in making energy efficient home improvements. Eligible homeowners receive a free home energy evaluation, and depending on the results of the evaluation, assistance may be provided for one or more of the following improvements:

- insulation;
- heating and cooling system updates;
- sealing air leaks;
- purchase of energy saving products; and
- purchase of ENERGY STAR® qualified appliances.

Participation in the program is limited to homeowners with an annual household income of between sixty and eighty percent of the state median. Participants must buy their gas and electricity from one or more participating utilities.

Details regarding the program are available on the Focus on Energy [website](#).

Weatherization Assistance Program

The Wisconsin Department of Administration sponsors a program to provide income-eligible homeowners basic weatherization services. Services available include:

- insulation;
- installation of energy efficient lighting;
- reducing air leakage;
- furnace repair or replacement;
- refrigerator testing or replacement;
- general health and safety inspection; and
- information about maintenance and energy conservation.

Details are available at the Weatherization Assistance Program [website](#).

Water Heater Rebates

Focus on Energy offers rebates to customers of participating utilities who purchase an energy efficient water heater. Rebate amounts depend on the type of water heater purchased. In addition, rebates are available for customers of participating utilities who convert from electric water heaters to qualified gas, LP, or oil water heaters.

Further details, application forms, and listings of participating contractors and utilities are available [here](#).

Residential Heating and Cooling Rewards

Focus on Energy offers rebates to customers of participating utilities who install energy efficient heating or cooling systems.

Eligible systems are:

- natural gas boilers;
- natural gas or LP furnaces;
- central air conditioners; and
- geothermal heat pumps.

Eligible boilers and furnaces must be of a model on a list of pre-qualified equipment. Central air conditioners must meet certain technical specifications, and must be installed at the same time as a qualifying furnace.

Additional information, application forms, and lists of participating utilities and contractors, and pre-qualified equipment, are available [here](#).

Home Performance with ENERGY STAR®

Focus on Energy offers cash-back rewards to residential customers of participating utilities who make qualifying energy-efficiency and conservation improvements. Eligible improvements include the following:

- air sealing;
- insulation—attic, floor, foundation, kneewall, sill wall, and side box;
- chimney or furnace repairs;
- installation of an energy efficient furnace, air conditioner, boiler, or heat pump;
- water heater upgrades or replacement;
- exhaust fans;
- solar electrical systems;
- wind energy systems; and
- solar water heaters.

Cash back for air sealing or insulation is available only to homeowners who use natural gas from a participating utility, or who get at least 50% of their heating from electricity from a participating utility. For all other rewards, homes must purchase gas from a participating utility to receive cash for gas-saving measures, and electricity from a participating electrical utility to receive cash for electricity saving measures.

Improvements must be recommended after a home performance assessment or energy rating. Improvements must be done within ninety days of the assessment or rating.

Additional information is available [here](#).

Renewable energy financial incentives

Focus on Energy offers various incentives for utility customers who install renewable energy systems, such as solar photovoltaic systems, solar water heaters, and wind energy systems. Enhanced incentives may be available for customers who install energy efficiency improvements.

Pre-registration of the installation is optional, but is necessary to reserve funding. Incentives are paid upon proof of completion of a project. Incentives are paid on a first-come, first-served basis.

Incentives vary according to the customer's location, and their utility providers. Additional information is available [here](#).

Property Assessed Clean Energy (PACE) funding

Wisconsin authorizes local governments to establish programs to lend money to property owners and lessees for energy-related building improvements, renewable energy projects, or water efficiency projects. Loans are repaid through a special assessment on the property that receives the improvements.

PACE programs have been enacted in Racine and River Falls. A program has also been authorized in Milwaukee.

Others

No other statewide incentives were located. However, several utility companies provide rebates or loans for the purchase of energy efficient technologies. In addition, some utilities offer programs in which energy produced by renewable technology is purchased from consumers. In some parts of the state, property owners may receive a reduced-cost site assessment for renewable energy. Details are on the [Focus on Energy website](#).

Sections 66.0627; and 70.111 amended 2013; 77.54 amended 2015.

[Wis. Stat. §§ 66.0627; 70.111\(18\); 77.54\(30\), \(56\) \(2015\)](#).

Wisconsin, Transactional Requirements

ENERGY RETROFIT REQUIREMENTS

No relevant provisions were located.

ENERGY AUDITS

No relevant provisions were located.

ENVIRONMENTAL INSPECTIONS

No provisions that relate specifically to environmental inspections were located. A real estate licensee generally has a duty to conduct a “reasonably competent and diligent inspection of accessible areas of [a] structure . . . to detect observable material adverse facts.” The inspection does not require the operation of mechanical equipment, or the opening of panels, doors, or covers to inspect mechanical equipment. There is no requirement that third-party inspectors or investigators be retained.

ENERGY USE DISCLOSURES

Generally, the transferor of real property must deliver a written disclosure statement that is substantially in the form required in § 709.03, which does not require energy use disclosures.

OTHER RELEVANT PROVISIONS

Solar and wind power rights

Restrictions on platted land that limit or prohibit the use of solar or wind power are void.

Neighboring property owners are liable in damages if they construct a building that interferes with an existing solar energy system. Any new building or vegetative growth that interferes with the operation of a solar or wind-powered generator is a private nuisance.

Statute section 844.22 enacted 1993; sections 236.292, 700.41 amended 1999; section 709.03 amended 2013; regulation section RL 24.07 amended 2012.

[Wis. Stat. §§ 236.292; 700.41; 709.03; 844.22 \(2015\)](#); [Wis. Adm. Code REEB 24.07 \(2015\)](#)

Wyoming

Wyoming, Code Adoptions

ADOPTION OF ENERGY-EFFICIENT STANDARDIZED CODES

Residential energy code

Wyoming does not have a statewide residential energy code.

Commercial energy code

Wyoming does not have a statewide commercial energy code.

LOCAL OPTIONS FOR CODES

Local jurisdictions may adopt the 1989 MEC (Model Energy Code), but are not required to do so.

Section 15-1-103 amended 2009; website history unknown.

Wyo. Stat. Ann. § 15-1-103(a)(xxv) (2015); [Dep't of Fire Prevention and Elec. Safety website](#); [U.S. Dep't of Energy, Energy Efficiency & Renewable Energy, Building Energy Codes Program: Wyoming DOE Status of State Energy Codes \(last visited Oct. 22, 2015\)](#)

Wyoming, Incentives and Tax Credits

STATE TAX INCENTIVES

Sales Tax Exemption for Renewable Energy Equipment

The sales and use tax exemptions for renewable energy equipment were repealed July 1, 2012.

TAX CREDITS FOR PURCHASE OR SALE

No relevant provisions were located.

PROPERTY TAX REBATES, INCENTIVES, OR EXEMPTIONS

Research located no real property tax rebates, incentives, or exemptions.

STATE INCENTIVES FOR CONDUCTING HOME ENERGY AUDITS

No relevant provisions were located.

OTHER STATE INCENTIVES FOR RETROFITTING A HOME

Wyoming Energy Savers Loans

The Wyoming Community Development Authority provides loans to income-qualified homeowners for retrofits to increase the energy efficiency of their homes. Eligible homeowners will have household incomes of less than 80% of the county median income.

The maximum loan is \$15,000, and the minimum is \$1000. There are no loan to value or credit requirements, but borrowers must be current on mortgage payments, real estate taxes, and homeowners insurance.

Rehabilitation loans are offered only for existing homes. Rehabilitation is limited to items such as:

- furnace replacement;

- ceiling insulation;

- set-back thermostats;

- caulking;

- weather stripping;

- exterior storm windows;

- exterior doors (including storm doors and patio doors); and
- repairs necessary to complete improvements according to the most restrictive applicable code.

Details regarding the Energy Savers Loan program, including the application forms, are available on the Wyoming Community Development Authority [website](#).

Local Energy Improvements Program Loans

A municipality, county or joint powers board may designate an energy improvements area and establish an energy improvements program to make loans to owners of real property within the area for cost-effective energy improvements to existing residential, commercial or industrial buildings on the property. The loan application process may include an energy audit of the building proposed to be improved and other requirements to ensure that the loan will be used for energy improvements which are cost effective and otherwise consistent with the purpose of the program.

Low Income Home Energy Assistance Program

The Department of Family Services operates a low-income energy assistance program, consistent with federal law, which provides energy assistance to eligible low-income households. At least 25% of the program funds must be used for weatherization assistance for residential dwellings. Commencing July 1, 2013, cooling efficiency modifications, replacements and repairs are not included in the weatherization program. Eligible households include those with incomes that do not exceed (a) 215% of the federal poverty level for Wyoming, or (b) 60% of the state median income.

Energy Efficient Appliance Rebates

The Wyoming Energy Office has exhausted the available funding for rebates for the purchase of ENERGY STAR® certified appliances and systems. Applications are no longer being accepted for the program.

Others

No other statewide incentives were located. However, [Black Hills Power](#), [Carbon Power and Light](#), and [Cheyenne Light, Fuel and Power](#) offer rebates to customers or members who purchase qualifying energy efficient water heaters and heat pumps. [Powder River Energy](#) offers loans for energy efficient retrofits to homes.

Sections 39-15-105 amended 2010; § 39-16-105 amended 2015; §§ 15-1-701, -701 amended 2011; § 42-2-501 amended 2013.

Wyo. Stat. Ann. §§ 39-15-105 (a)(viii)(N), -16-105 (a)(viii)(C), 15-1-701, -702; 42-2-501 (2015)

Wyoming, Transactional Requirements

ENERGY RETROFIT REQUIREMENTS

No relevant provisions were located.

ENERGY AUDITS

No relevant provisions were located.

ENVIRONMENTAL INSPECTIONS

No relevant provisions were located.

ENERGY USE DISCLOSURES

Wyoming does not have a statewide law mandating disclosures in real estate transactions; however, real estate licensees are required to disclose "matters known to the licensee which are material to [a] transaction . . .".

Disclosure of Wind Estate Severance

Every seller of land not within the boundaries of a city or town must disclose in writing to a prospective buyer whether fee ownership of the property's wind estate has been severed in the chain of title from the surface estate, including the existence of a "wind energy agreement."

OTHER RELEVANT PROVISIONS

Solar Rights

Wyoming law declares the beneficial use of solar power to be a property right. If a local government has established a permit system for the use and application of solar energy a solar permit shall be granted before a solar right may be established.

A solar collector must be located on the user's property so as not to unreasonably or unnecessarily restrict the uses of neighboring property. Unless otherwise permitted by the local government, no solar right attaches to a solar collector that would be shaded by a ten foot wall located on the property line on a winter solstice day.

A solar collector is defined as a device that is "capable of collecting, storing or transmitting at least twenty-five thousand (25,000) BTU's on a clear winter solstice day."

Wind Energy Rights

Wyoming law declares that wind energy rights are an interest in real property appurtenant to the surface estate which may not be severed, except that the wind energy may be developed pursuant to a wind energy agreement. A "wind energy agreement" is an interest in real property that must be recorded in the county clerks office where the land subject to the agreement is located.

Section 34-1-151 amended 2012; §§ 34-22-102, 34-22-103, 34-22-104, and 34-22-105 enacted 1981; §§ 34-27-101 to -107 enacted 2011; regulation section 14 adopted 2008.

Wyo. Stat. Ann. §§ 34-1-151(e); 34-22-102, -103, -104, -105; 34-27-103 to -107 (2015); [Wyo. Real Estate Bd. Regs. Ch. II, § 14\(a\)\(xii\) \(2009\)](#)