



# Tax Credit Communication to Preferred Remodelers

## What is the Tax Credit?

- Section 1333 of the Energy Policy Act of 2005, Pub. L. No. 109-58, 119 Stat. 594 (2005) added Section 25C to the Internal Revenue Code. Section 25C provides a credit against tax for the taxable year in an amount equal to 30% of the sum of product costs (installation costs cannot be submitted for energy credit) for all qualified energy efficiency improvements on the taxpayer's primary residence up to a maximum of \$1,500.
- The cost of James Hardie HardieWrap®, HardieWrap® Flashing Tapes, and HardieWrap® Seam Tapes when installed as an air barrier in a properly designed wall system is an Eligible Building Envelope Component.
- Example: If a homeowner spends \$10,000 on qualifying costs, their credit would be \$1,500 ( $\$10,000 \times 30\% = \$3000$ , but max is only \$1500).

## How does it work?

- Contractor/Installer must install HardieWrap® as an air barrier per James Hardie's installation instructions in a properly designed wall system.
- Taxpayer must retain the Manufacturer's Certification Statement; and receipts from contractor/ installer outlining all costs. Then submit form 5695 with tax return.

## How does it benefit me?

- Create Value-Add incentive for customers to choose your company and James Hardie® products
- Increase knowledge and credibility to clients
- Build on "green" movement

