

Trane Energy Tax Credit Summary

The 2009-2010 Energy Tax Credit and You

With the passage of President Obama's Economic Stimulus Bill, homeowners may be eligible for a tax credit if they purchase certain types of heating, ventilation and air conditioning (HVAC) systems, water heating equipment, or make other energy-related improvements to their homes between January 1, 2009 and December 31, 2010.

As a leader in enabling homeowners to take control of their own energy management, Trane already offers systems that may help you save up to 60 percent on your energy bill.¹ To add to that savings, Trane offers many products that are eligible under this new energy tax credit law. Depending on the type of system or product purchased, it is possible to qualify for a tax credit of up to \$1,500 on your 2009 or 2010 income tax return. Read on to learn how the government's new tax credit program works, which Trane products qualify, and how to apply for a tax credit.



How did the tax credit come about?

On February 17, 2009, President Obama signed the American Recovery and Reinvestment Act (also known as the Economic Stimulus Bill) into law. This legislation combines spending and tax incentives designed to get the American economy moving again by investing in our nation's roads and energy infrastructure, and by providing incentives for increasing the efficiency and performance of America's homes and commercial buildings.

Which products are eligible?

Some — but not all — of Trane's products may qualify for the tax credit. You can visit www.trane.com/taxcredit to find a listing of the specific products that qualify, as well as print off your tax certification. In addition, you'll find the government's summary of Energy Star products that are eligible for HVAC credits. As always, you can also contact your local independent Trane dealer who can help you determine product model numbers if necessary.

How do I apply for a tax credit?

For qualified improvements, homeowners may be able to claim tax credits equal to 30 percent of the installed costs (up to \$1,500). The new tax credits are retroactive to January 1, 2009 and expire on December 31, 2010. The \$1,500 limit is for all improvements made during the two-year term, rather than \$1,500 each year.

The tax credit applies as a direct reduction of taxes owed. In the past, IRS has directed taxpayers to use Form 5695 (the Residential Energy Efficient Property Credit). It is expected that the IRS will produce new rules related to the recently enacted stimulus legislation, giving taxpayers further guidance on claiming tax credits. To fully understand how the new tax credit may apply to you and what you can do to obtain one, you should consult with a tax professional for advice on tax preparation, as this tax credit is subject to IRS regulations.



How do I learn more about Trane's energy efficient products?

Trane is committed to providing your family with a system that is tailored to your specific needs. At trane.com you can find out more information about Trane matched systems that are designed to give you the best performance for your heating and cooling dollars. In addition, you can talk with your local independent Trane dealer.

¹ Potential energy reduction comparing an 8-SEER (Seasonal Energy Efficiency Ratio) system to a 20-SEER system. Actual energy savings vary based on lifestyle, system settings, maintenance, climate and installation.