The Tax Benefits of Going Green

Going green, reducing energy consumption, and engaging in other sustainable business activities are not only socially responsible business practices, they may also yield significant tax benefits. Federal, state and local governments offer a wide range of energy tax incentives that may provide increased current cash flow, reduce tax liability and help offset the cost of energy-efficient improvements.

Why Choose MillerMusmar CPAs?

MillerMusmar CPAs Green Energy Tax Services practice provides a full complement of energy-related tax and consulting services. Our team is comprised of experienced tax professionals, and licensed engineering and architectural consultants with extensive experience in areas of State and Local Taxes, Cost Segregation and R&D Tax Credits. MillerMusmar’s Green Energy Tax Services professionals team can:

- Identify available federal, state and local energy tax incentives
- Negotiate and secure these incentives
- Obtain the necessary technical and engineering certifications
- Obtain LEED® certification
- Identify and support R&D tax credits for federal and state investments

When do Businesses Qualify?

Most business that make investments in the following activities stand to benefit from federal, state and local energy tax incentives:

- Constructing new facilities or improving existing facilities using energy efficient technologies
- Obtaining LEED® certification for new or existing buildings
- Producing renewable energy
- Manufacturing equipment and products that are used to produce renewable energy
- Conducting research and development or improving processes that relate to energy efficiency, environmental improvements, and pollution control
- Cleaning up environmentally-challenged properties
What are the Federal Energy Incentives?

- R&D tax credits attempt to develop or improve energy-related products or processes
- Production tax credit for energy produced from renewable resources (e.g. solar, fuel cell, geothermal, wind, biomass)
- Energy investment tax credit for qualified energy property (solar, fuel cell, small wind energy property, geothermal, micro-turbine)
- Treasury Department energy grants for renewable energy producers and for manufacturers of products used to produce renewable energy
- Accelerated depreciation for alternative energy and biomass property
- IRC Sec. 179D deduction for owners of energy efficient commercial buildings
- IRC Sec. 179D deduction allocated to designers of energy efficient governmental facilities and public school buildings

What are the State and Local Incentives?

- State and local tax credits and grants related to renewable energy production
- Tax credits for energy efficient commercial buildings
- Rebates from local utilities and development authorities for energy efficient improvements
- R&D tax credits for attempts to develop or improve energy-related products or processes
- Brownfield credits

Which Buildings Qualify?

Taxpayers who are or will be constructing or improving any of the following types of buildings may benefit from MillerMusmar’s Green Energy Tax Services:

- Manufacturing and Distribution Facilities
- Alternative Energy Generating Facilities
- Ethanol Plants
- Commercial Office Buildings
- Health Care Facilities
- Retail Stores and Supermarkets
- Hotels and Restaurants
- Other

When to Act?

Early planning is essential to maximizing many of the available energy tax incentives. While not always possible, it’s best to identify and secure all available incentives before the “shovel hits the ground.” MillerMusmar’s Green Energy Tax Services team provides the upfront advantage with the experience and resources required to navigate through each incentive opportunity.