



Lighting Tax Deduction

EPAct 2005 enables commercial building owners to invest in energy efficiency, with a Commercial Building Tax Deduction (CBTD) for capital investments in energy efficiency equipment, including lighting controls.

Lighting Tax Deduction Provisions

Lighting system projects may qualify for a partial deduction of up to \$0.60 / sq. ft. To do so, projects must satisfy the following requirements set forth in the interim rules:

1. Reduce lighting power density (LPD) by 25-40% beyond the minimum requirements outlined in ASHRAE 90.1-2001. Warehouse spaces must reduce LPD by 50%.
2. Comply with all mandatory and prescriptive requirements of ASHRAE 90.1-2001 related to lighting controls.
3. Provide bi-level switching for all types of building spaces referred to as occupancies. Exceptions: Hotel/Motel Guest Rooms, Store Rooms, Restrooms and Public Lobbies.
4. Meet minimum requirements for calculated lighting levels according to IESNA Lighting Handbook, 9th Edition.

% Of LPD Reduction

25% / 26% / 27% / 28% / 29% / 30% / 31% / 32% / 33% / 34% / 35% / 36% / 37% / 38% / 39% / 40% / +40%
\$.30 / \$.32 / \$.34 / \$.36 / \$.38 / \$.40 / \$.42 / \$.44 / \$.46 / \$.48 / \$.50 / \$.52 / \$.54 / \$.56 / \$.58 / \$.60 / \$.60

Amount of Tax Deduction Per Square Foot