

GENERAL SERVICES ADMINISTRATION

Washington, DC 20405

OFFICE of FEDERAL HIGH-PERFORMANCE GREEN BUILDINGS

GSA Bulletin 2011-OGP-1

TO: Heads of Federal Agencies

SUBJECT: Information on GSA Policy on Energy Efficient
Commercial Buildings Tax Deduction

1. What is the purpose of this bulletin? This bulletin informs all agencies incurring expenses for energy efficient building investments made in government-owned buildings of useful information available to them from GSA's Policy on Energy Efficient Commercial Buildings Tax Deduction (developed and used by GSA's Public Buildings Service).

2. What is the background of this bulletin? The Energy Policy Act of 2005 (Pub. L. 109-58) authorized the Energy-Efficient Commercial Buildings Tax Deduction for expenses incurred for qualified energy efficient building investments made by a building owner. The

deduction may be taken in the year the energy-efficient improvements are placed in service. In government-owned buildings, the government may allocate this deduction to the person or persons primarily responsible for designing the qualified improvements. The Emergency Economic Stabilization Act of 2008 (Pub. L. 110-343) extended this deduction through December 31, 2013. The provisions authorizing the deduction are codified in the 26 U.S.C. §179D.

The Energy-Efficient Commercial Buildings Tax Deduction is a significant financial incentive for contractors to meet or exceed an agency's energy reduction requirements for new and existing buildings. In the event that a contractor requests allocation of the tax deduction from an agency, the agency can use GSA's Policy on Energy Efficient Commercial Buildings Tax Deduction as an information resource for allocating the deduction.

3. Where can my agency find additional information on the policy? Additional information about GSA's Policy on Energy Efficient Commercial Buildings Tax Deduction and its implementation can be found at

<http://www.gsa.gov/portal/content/221677>.

4. Whom should I contact for further information?

Internal Revenue Service (IRS) guidance on the allocation of the Energy Efficient Commercial Building Tax Deduction for government-owned buildings is set forth in Notice 2008-40, Internal Revenue Bulletin 2008-14, "Amplification of Notice 2006-52; Deduction for Energy Efficient Commercial Buildings." Notice 2008-40 can be found at http://www.irs.gov/irb/2008-14_IRB/ar12.html. For clarification of Bulletin content, contact General Services Administration, Office of Governmentwide Policy, Office of Federal High-Performance Green Buildings at (202) 219-1522. Please cite OFHPGB Bulletin 2011-OPG-1.

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