

Residential Energy Tax Credit (RETC)

Rule Changes Effective December 1, 2007 to implement HB 3201

- The combined tax credit for energy efficient appliances can exceed the former limit of \$1,000 per year per residence.
- Applicants may not receive certification for more than \$6,000 per residence for solar electric (photovoltaic) systems or \$1,500 for ground source heat pump systems in any one year.
- The tax credit for wind electric systems increased from \$1,500 to \$6,000, to be taken over four years, and the basis of calculating the tax credit was raised from \$0.60 to \$2.00 multiplied by the first year energy yield in kilowatt hours.
- Fuel cell systems may qualify for a tax credit of \$6,000, to be taken over four years.
- The criteria for premium efficiency biomass combustion devices were established. Such devices may qualify for a tax credit equal to the first year energy yield in kilowatt hours multiplied by \$0.40 up to \$300 or 25% of the net cost of the device whichever is less.
- The criteria for ductless mini-split heat pumps were established. Qualifying heat pumps will be eligible for a tax credit equal to \$50 per 6,000 Btu of rated capacity up to \$400 or 25% of the net cost of the system, whichever is less.
- On and after January 1, 2009, to become a Tax Credit Certified Technician, first time solar technician applicants must be tested and certified by the North American Board of Certified Energy Practitioners (NABCEP) or a certification approved by the Oregon Department of Energy. All Tax Credit Certified Solar Technicians certified by the Oregon Department of Energy must obtain NABCEP certification or other approved certification on and after January 1, 2010.
- Systems installed under the Business Energy Tax Credit (BETC) program as well as the Residential Energy Tax Credit (RETC) program will be counted to satisfy the requirements that a Tax Credit Certified Solar Technician install two systems per year,
- Effective January 1, 2009, the standard for high efficiency residential gas furnaces will increase from a minimum AFUE rating of 0.90 (90 percent) to a minimum AFUE rating of 0.92 (92 percent) to be consistent with Energy Star.
- The Energy Factor (EF) on qualifying dishwashers increased from 0.68 to 0.70 and the Water Factor (WF) requirement for qualifying dishwashers has been eliminated.
- An alternative fuel vehicle capable of using E-85 and gasoline is not eligible for the tax credit.
- Applicants for a hybrid vehicle tax credit must acknowledge on the application form that they do not intend to sell the vehicle to a person who is not an Oregon resident for a period of one year.