

Retail Location Federal Tax Deduction Lighting Design Guidance

As part of the Energy Policy Act, the Federal government has provided substantial federal tax savings for upgrading to today's energy efficient Lighting and Lighting controls products effective January 1, 2006. To achieve tax deductions the watts per square foot in facilities have to be reduced by between 25% to 40% as compared to 2001 lighting standards.

Energy Tax Savers, Inc. has provided the following chart which you can use when discussing Lighting and lighting controls projects with outside architects, engineering firms and Lighting specifiers. The chart is designed to show when tax savings is applicable for typical spaces in an office facility.

Typical Spaces in a Retail Location

Description	25% Improvement as compared to 2001 Standard \$0.30/sq.ft. Deduction Watts/sq.ft.	40% Improvement as compared to 2001 Standard \$0.60/sq.ft. Deduction Watts/sq.ft.
Retail Sales Area	1.575	1.26
Restaurant-Dining	1.650	1.32
Mall Concourse	1.350	1.08
Corridors	0.525	0.42
Restrooms	0.750	0.60
Food Prep	1.650	1.32
Enclosed Office	1.125	0.90
Electrical/Mechanical	0.975	0.78
Storage	0.825	0.66
Stairways	0.675	0.54

Note that these are tax deduction standards and you may have specific customer or operational needs that override the benefits of these tax deductions.

However, in most cases, adhering to the 2004 ASHRAE building code standards that are applicable in approximately 50% of the United States will trigger these tax deductions.

Please direct any questions you have on the new tax law standards to Energy Tax Savers at www.Energytaxsavers.com, charles.goulding@energytaxsavers.com, or 516 364 2630