

## **Coalition to Extend and Improve the 179D Tax Deduction for Energy Efficient Buildings**

July 17, 2015

The Honorable Orrin Hatch  
Chairman  
U.S. Senate Committee on Finance  
219 Dirksen Senate Office Building  
Washington, D.C. 20510

The Honorable Ron Wyden  
Ranking Member  
U.S. Senate Committee on Finance  
219 Dirksen Senate Office Building  
Washington, D.C. 20510

Dear Chairman Hatch and Ranking Member Wyden:

We write to urge extension of the Section 179D tax deduction for energy efficient commercial and multifamily buildings, with the refinements to the provision included in S. 2260, the Expiring Provisions Improvement, Reform, and Efficiency (“EXPIRE”) Act of 2014 and those included in title I of the Energy Efficiency Tax Incentives Act (S. 2189) filed last Congress. Section 179D expired on December 31, 2014.

Our organizations and companies represent a broad spectrum of the U.S. economy. They include real estate, manufacturing, architecture, contracting, building services, financing, labor, education, environmental and energy efficiency advocates. We represent many small businesses that drive and sustain American job growth.

Section 179D provides a tax deduction to help offset some of the high costs of energy efficient components and systems for commercial and larger multifamily buildings. The 179D deduction has leveraged billions of dollars in private capital, resulted in the energy-efficient construction of thousands of buildings, and created and preserved hundreds of thousands of jobs. It has lowered demands on the power grid, moved our country closer to energy independence, and reduced carbon emissions.

The amendments proposed to Section 179D in 2014 as part of S. 2260 would have strengthened Section 179D by updating the qualifying efficiency standards to a more stringent level, and by allowing tribal governments and non-profits to allocate the deduction to designers. These modifications have been carefully analyzed and thoroughly vetted by myriad stakeholders, and should be incorporated into any tax extenders package. These provisions further provide a sound policy bridge to comprehensive tax reform efforts.

We also favor improvements to the 179D deduction to better enable retrofits for buildings owned and managed by private sector owners, and encourage that any extenders package incorporate the common sense, technology neutral, and performance based provisions offered by Senators Cardin, Feinstein and Schatz in title I of S. 2189 filed last Congress.

## **Coalition to Extend and Improve the 179D Tax Deduction for Energy Efficient Buildings**

We strongly urge you to extend section 179D, with improvements to the provision, as offered in S. 2260 and S. 2189 in 2014. Thank you.

Sincerely,

ABM Industries  
Acuity Brands  
Air Barrier Association of America  
Air Conditioning Contractors of America  
Air-Conditioning, Heating, and Refrigeration Institute  
Alliance for Industrial Efficiency  
Alliance to Save Energy  
Alliantgroup, LLC  
Ameresco  
American Council for an Energy-Efficient Economy  
American Gaming Association  
American Gas Association  
American Institute of Architects  
American Public Gas Association  
American Resort Development Association  
American Society of Interior Designers (ASID)  
Appraisal Institute  
ASHRAE  
Associated General Contractors of America  
Big Ass Solutions  
BLUE Energy Group  
Brady Services Inc.  
Building Owners and Managers Association (BOMA) International  
CCIM Institute  
Chestnut Hill South, LLC  
Concord Energy Strategies  
Consolidated Edison Solutions  
Consolidated Energy Solutions  
D Squared Tax Strategies  
Eaton  
Energy Future Coalition  
Energy Systems Group  
Energy Tax Savers, Inc.  
Environmental Defense Fund  
Franklin Construction, LLC  
Green Light National  
Howard J. Moore Company Inc  
Independent Electrical Contractors  
Ingersoll Rand  
Insulation Contractors Association of America  
Institute for Market Transformation (IMT)  
Institute of Real Estate Management

## **Coalition to Extend and Improve the 179D Tax Deduction for Energy Efficient Buildings**

International Council of Shopping Centers  
International Union of Painters and Allied Trades  
Johnson Controls, Inc.  
KeyStone Energy  
Legrand  
Lexicon Lighting Technologies  
LightPro Software, LLC  
McKinstry Essention, LLC  
Mechanical Contractors Association of America (MCAA)  
Metrus Energy, Inc.  
Micromega Systems, Inc.  
Mix Avenue, LLC  
NAIOP, the Commercial Real Estate Development Association  
North American Insulation Manufacturers Association  
National Apartment Association  
National Association of College and University Business Officers  
National Association of Electrical Distributors  
National Association of Energy Service Companies (NAESCO)  
National Association of Home Builders  
National Association of Real Estate Investment Trusts  
National Association of REALTORS®  
National Association of State Energy Officials (NASEO)  
National Electrical Contractors Association (NECA)  
National Electrical Manufacturers Association (NEMA)  
National Leased Housing Association (NLHA)  
National Multifamily Housing Council  
National Roofing Contractors Association  
Natural Resources Defense Council  
North Haven Health & Racquet, LLC  
OpTerra Energy Services  
Osram Sylvania  
Owens Corning  
Pathfinder Engineers & Architects  
Plumbing-Heating-Cooling Contractors-National Association  
PMH Associates, Inc.  
Polyisocyanurate Insulation Manufacturers Association  
PowerDown Holdings, Inc.  
PowerDown Lighting Systems, Inc.  
Rampart Partners LLC  
RB+B Architects, Inc.  
Real Estate Board of New York  
Sheet Metal and Air Conditioning Contractors' National Association  
Sheet Metal Workers' International Association, a division of S.M.A.R.T.  
(International Association of Sheet Metal, Air, Rail & Transportation Workers)  
Saybrook Point Inn, LLC  
Saybrook Point Marina, LLC  
Sierra Club

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Society of Industrial and Office REALTORS®  
Sustainable Performance Solutions  
TecnerG, LLC  
TerraLUX  
The Real Estate Roundtable  
Trio Electric  
Tri-State Light & Energy, Inc.  
U.S. Green Building Council  
Window & Door Manufacturers Association

Cc: Senate Majority Leader Mitch McConnell  
Senate Minority Leader Harry Reid  
Members of the Senate Finance Committee