

**From:** Steve Baden <[sbaden@resnet.us](mailto:sbaden@resnet.us)>  
**Sent:** Tuesday, November 17, 2020 9:03 AM  
**Subject:** Federal 45L Tax Credit for Energy Efficient Homes

To: RESNET Accredited Rating Providers

There has been quite a bit of confusion and concern over the use of software programs to calculate compliance to the federal 45L tax credit for energy efficient homes. This is to provide information on this issue.

I would like to first state, that other than developing the suite of tests that the U.S. Department of Energy (DOE) uses to approve tax credit software programs and post on their web site (RESNET Publication No. 001-20 "Procedures for Accrediting Software Tools for Residential Energy Efficiency Tax Credits"), RESNET has no authority with the tax credit.

RESNET was specifically instructed by the Internal Revenue Service (IRS) that it had no role to play in quality assurance oversight over the verification of compliance of the tax credit. This responsibility exclusively lies with the IRS.

DOE has the exclusive authority to review, approve and post 45L software compliance software tools on its web site. Currently there are four software programs that have been approved and posted by DOE. These programs are:

- Ekotrope RATER
- EnergyGauge® USA
- Micropass
- REM/Rate

Please note that the DOE web site states, "The software appearing on this list are approved to calculate whether a home acquired (by sale or lease) meets the energy-efficiency requirements for the 45L tax credit, subject to the noted restrictions based on building permit date."

The DOE list of approved software programs and its procedures is posted at <https://www.energy.gov/eere/buildings/list-approved-software-calculating-energy-efficient-home-credit>

There is at least one software program being used for calculating the 45L tax credit that has been not approved by DOE. Caution must be taken by raters on using software not approved by DOE. The IRS guidelines holds raters liable for homes that do not qualify for the credit. This decision, however, is up to the rater.

Since RESNET does not have any controlling authority over the federal tax credit, Rating Providers should inform their certified raters who have problems with compliance to the rules of the 45L tax credit of the option of completing the IRS Information Referral Form 3949-A (the form is posted at <https://www.irs.gov/pub/irs-pdf/f3949a.pdf> ).

It must be remembered that the current 45L tax credit is set to expire on December 31, 2020. RESNET is putting a full effort at amending and extending the 45L tax credit in Congress. For more information on RESNET's efforts go to <https://www.resnet.us/about/advocacy/45l/>



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