



BENEFITS OF THE SUSTAINABLE BUILDING TAX CREDIT TO NEW MEXICANS

- ✓ Creates green building infrastructure, generating expertise and green-collar jobs, ultimately reducing the cost of green products and technologies.
- ✓ Reduces energy consumption, helping to offset the impact of rising energy prices.
- ✓ Reduces New Mexico's greenhouse gas emissions and delays the need to build costly new electric power plants.
- ✓ Provides healthy and comfortable buildings that improve quality of life for the occupants.
- ✓ Benefits lower-income New Mexicans by creating high quality, affordable, energy efficient homes that reduce utility bills.
- ✓ Conserves precious water resources in buildings and in power generation.
- ✓ Places New Mexico as a leader in green building.

Mission

The Energy Conservation and Management Division develops and implements effective clean energy programs – renewable energy, energy efficiency and conservation, clean fuels and efficient transportation – to promote environmental and economic sustainability for New Mexico and its citizens.



Your Source for Energy Efficiency and Clean Energy Information

www.CleanEnergyNM.org



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NEW MEXICO'S SUSTAINABLE BUILDING



TAX CREDIT



Transforming
New Mexico's Construction Industry
Toward Energy Efficient,
Sustainable Building

The New Mexico Sustainable Building Tax Credit (SBTC) provides incentives to encourage private sector design and construction of commercial and residential buildings that are energy efficient and sustainable.

The SBTC is based on achieving third-party certification through a green building rating system and meeting an energy efficiency requirement. Commercial buildings use the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED®) rating system. Single-family and some multifamily homes can use either LEED® or the

Build Green NM (BGNM) rating system. Manufactured and modular homes use the ENERGY STAR program.

New construction and major renovation of these buildings are eligible for either a corporate or personal income tax credit, available through December 31, 2013.

The tax credit amount is based on building type, occupied square footage, and the allowance in dollars per square foot (\$/ft²) for the rating achieved (see tables).

Instructions and necessary forms for the tax credit can be found at www.CleanEnergyNM.org.

A TALE OF TWO HOMES...

HOME 1: A Typical 2,500 ft² Home
Monthly utility bill \$ 188



HOME 2: A 2,500 ft² Sustainably Built Home with a solar photovoltaic system

Increased construction cost	\$ 20,000
SBTC tax credit	\$ -10,000
Federal tax credit	\$ -2,000
Price difference	\$ 8,000
Increased mortgage payment	\$ 54
Decreased utility bill	\$ -140
Net monthly cash in pocket	\$ 86

Plus a \$5,000 combined federal and state tax credit for the solar system!

A better home and positive cash flow!

REQUIREMENTS FOR COMMERCIAL BUILDINGS

- LEED® Silver, Gold or Platinum certification
- Energy reduction, based on national average for similar building type: 50% through 2010, 60% from 2011 through 2013
- Enhanced commissioning, where applicable
- Applies to new construction and renovation of existing buildings

	First 10,000 ft ²	Next 40,000 ft ²	Next 450,000 ft ²
LEED-NC New construction			
Silver	\$3.50/ft ²	\$1.75/ft ²	\$0.70/ft ²
Gold	\$4.75/ft ²	\$2.00/ft ²	\$1.00/ft ²
Platinum	\$6.25/ft ²	\$3.25/ft ²	\$2.00/ft ²
LEED-EB/CS Existing building/Core and shell			
Silver	\$2.50/ft ²	\$1.25/ft ²	\$0.50/ft ²
Gold	\$3.35/ft ²	\$1.40/ft ²	\$0.70/ft ²
Platinum	\$4.40/ft ²	\$2.30/ft ²	\$1.40/ft ²
LEED-CI Commercial interiors			
Silver	\$1.40/ft ²	\$0.70/ft ²	\$0.30/ft ²
Gold	\$1.90/ft ²	\$0.80/ft ²	\$0.40/ft ²
Platinum	\$2.50/ft ²	\$1.30/ft ²	\$0.80/ft ²

REQUIREMENTS FOR RESIDENTIAL BUILDINGS

Single-family and multifamily homes

- Build Green NM (BGNM) or LEED-H® Silver certification or higher
- Home Energy Rating System (HERS) index of 60 or lower*

Manufactured housing must be ENERGY STAR certified.

	First 2,000 ft ²	Next 1,000 ft ²
LEED-H and BGNM Homes		
Silver	\$5.00/ft ²	\$2.50/ft ²
Gold	\$6.85/ft ²	\$3.40/ft ²
Platinum (LEED) and Emerald (BGNM)	\$9.00/ft ²	\$4.45/ft ²
Manufactured or Modular Homes		
ENERGY STAR	Up to 3,000 ft ²	... \$3.00/ft ²

* HERS index of 100 is the energy consumption of a home built to the current energy code. HERS index of 0 is a home that produces as much energy as it consumes. HERS index of 60 is a home that is 40% more efficient than a standard home.

