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Tentative List of State Tax Credits or Incentives for Biomass Stoves

Alabama:

Alabama provides a state tax deduction through the Wood-Burning Heating System Deduction for the conversion from gas or electricity to wood when the system is used as the primary energy source for heating a home. 100% of purchase and installation costs can be claimed in the year in which the conversion is completed.

Incentive specifics available here:

http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=AL01F&re=1&ee=1

Arizona:

Arizona provides a tax deduction for converting a fireplace to an EPA-compliant stove. Under the Qualifying Wood Stove Deduction, up to \$500 of the purchase and install price of the compliant stove may be deducted from state taxes.

Incentive specifics available here:

http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=AZ10F&re=1&ee=1

California

California provides local rebates in some areas for removing old, non-EPA compliant stoves in several counties, particularly in the Bay Area.

Marin County has a \$250 rebate for removing non-compliant woodstoves, fireplaces and inserts that are destroyed. Rebate can be used towards an EPA Phase II wood, pellet, or gas stove.

Yolo County has a \$200 rebate for replacing a non-certified woodburning stove or insert with a natural gas, propane, pellet stove or EPA certified wood stove.

Sacramento County has a \$200-750 for Environmental Justice-area residents and \$75-450 for non-Environmental Justice-area residents replacing existing uncertified wood stoves, inserts, or open hearth fireplaces with an EPA-certified stove.

In Del Norte/Humboldt/Trinity Counties residents can apply for assistance when replacing a non-EPA certified wood heating appliance with an EPA certified appliance.

Incentive specifics here:

Marin: http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=CA175F&re=1&ee=1

Yolo: <http://www.ysaqmd.org/documents/0907StoveChange-outProgram.pdf>

Sacramento: <http://www.airquality.org/woodstove/index.shtml>

Del North/Humboldt/Trinity: <http://www.ncuaqmd.org/index.php?page=wood.stove>

Colorado

Colorado has recently passed legislation concerning sales and use tax exemptions for the sales and use of wood from salvaged trees infested by Colorado's pine beetles. The tax exemption includes sales, storage and use of wood from salvaged trees. This includes lumber, furniture built from trees, wood chips or wood pellets.

Colorado House Bill 08-1269

Connecticut:

Connecticut provides a state Energy Efficiency Loan program which offers loans of \$400-\$25,000 for households installing energy saving devices- including wood and pellet stoves. The loans are very low interest, with rates at 1%, 3% or 6% depending on income, family size, and location. The loan repayment term is up to 10 years.

Incentive specifics available here: http://www.chif.org/owner_borrowers/index.shtml#energy

Idaho:

Idaho has a tax credit that is tied to changeouts. Idaho provides the best incentive to replace old, non-EPA compliant stoves of all US states. The Residential Alternative Energy Tax Deduction allows 40% of stove and system purchase costs to be deducted from state taxes in the first year, and 20% in the following years up to \$20,000. There is a maximum deduction of \$5,000 per year.

Incentive specifics available here:
http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=ID01F&re=1&ee=1

Maine:

Maine provides state-level incentives through the Home Energy Loan Program (HELP). HELP provides low-interest loans to low income households for energy improvements. Efficient wood and pellet stoves qualify as heating system replacements, and are eligible for \$2,800-\$30,000 loans at a fixed rate of 3.95%. Income limits apply, but most Maine homeowners are eligible.

Incentive specifics available here:
<http://www.mainehousing.org/PROGRAMSHelp.aspx?ProgramID=32>

Maryland:

First, Maryland forgoes sales tax on Corn-only stoves. Also, Maryland provides a minor state-level incentive with the Wood Heating Fuel Exemption. All wood or “refuse derived” heating fuel for residential use is exempt from state sales tax.

Montgomery County: Residents may be eligible for a maximum \$250 property tax credit by counting a wood stove as an energy conservation device. All devices must be approved by the county permitting department, so call to determine if a particular stove will qualify.

Incentive specifics available here:

http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=MD01F&re=1&ee=1

Montana:

Montana provides a tax credit for purchasing a premium efficiency stove. Through the Alternative Energy Systems credit, property owners installing a wood or biomass combustion device with an emission rate of less than 6 g/h. Installation must be in a primary home to qualify. The state tax credit does not exceed \$500 for an individual, but couples who co-own their home may each claim, for a total maximum of \$1,000.

Incentive specifics available here:

http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=MT13F&re=1&ee=1

New Hampshire:

New Hampshire provides local incentive programs. The Local Option Property Tax Exemption allows cities and towns to provide property tax exemptions in the amount of the assessed value of a renewable-energy system used on the property on renewable systems, including wood-fired central heating systems. There were 77 cities and towns offering renewable energy incentives as of 2008 and 28 of those included wood burning systems.

New Hampshire recently passed Electric RPS legislation. The statute allows revenues from the Renewable Energy Fund to be derived from alternative compliance payments for thermal renewable projects. This will be fully funded by mid-2009 and have approximately \$8-16 million per year.

Incentive specifics available here:

http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=NH01F&re=1&ee=1
<http://www.nh.gov/oep/programs/energy/renewableenergy/NHMunicipalitieswithPropertyTaxExemptionsforRenewables.htm>

New York:

New York provides a property tax exemption. The Energy Conservation Improvements Property Tax Incentive allows 100% of assessed added value to a property from the installation of an EPA-certified biomass fueled stove to be exempt from state property taxes.

New York also provides a loan program designed for energy efficiency which includes EPA

Phase II wood or pellet stoves. Residents can borrow up to \$2,500-\$20,000 at a rate of 5.99% APR. The loan has a fixed rate and can be set for 3,5,7, or 10 years. To be eligible, the stove must be installed by an approved BPI-certified contractor.

The state also provides a minor sales tax incentive. Purchases of pellets for residential use are exempt from state sales tax.

Incentive specifics available here:

http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=NY27F&re=1&ee=1

<http://www.getenergysmart.org/SingleFamilyHomes/ExistingBuilding/HomeOwner/Financing.aspx#>

Nevada:

Nevada provides a change-out rebate program in some counties. When replacing a pre-1992 manufactured stove in Washoe County, residents can receive up to a \$600 rebate towards the purchase of a new, EPA-certified stove.

Incentive specifics available here:

<http://www.nsbdcbe.org/stoves/>

North Carolina:

North Carolina provides a personal tax credit covering 35% of the purchase and installation costs of renewable energy property (including wood or pellet stoves), up to \$3,500. The credit cannot exceed 50% of a taxpayer's liability for the year.

Incentive specifics available here:

<http://www.dsireusa.org/documents/Incentives/NC19F1.pdf>

Oregon:

Oregon provides a tax credit for purchasing a premium efficiency stove. The Residential Energy Tax Credit allows a tax credit in the first year of installation. The credit has a maximum of \$300 or 25% of the system cost, whichever is less. Wood stoves must emit maximum 4.5 grams per hour or 2.5 for pellet stoves.

Oregon also provides an additional minor incentive with a \$10 tax credit per cord of dry wood or ton of pellets purchased each year.

Incentive specifics available here:

http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=OR17F&re=1&ee=1

Pennsylvania:

Pennsylvania provides a rebate program through the Keystone HELP loan program for the purchase of a wood or pellet furnace (does not apply to stoves) that is at least 78% efficient. 10 percent of purchase and install cost can be claimed, up to \$250. It may be possible to claim up to \$500 for an ultra-efficient furnace.

Incentive specifics available here:
<http://www.keystonehelp.com/index.php>

Rhode Island:

Bill currently being negotiated.

Vermont:

Vermont provided a change-out rebate program in 2009, but currently has no plans to fund another.

Incentive specifics available here:
<http://www.anr.state.vt.us/air/htm/woodstoverebate.htm#woodstove>

Virginia:

Sales tax exemption on Corn and pellet stoves. 58.1-609.10 is the code number.

Incentive specifics available here:
<http://leg1.state.va.us/cgi-bin/legp504.exe?000+cod+58.1-609.10>

Washington:

Local governments provide rebate programs for replacing old, non-compliant stoves with compliant wood, pellet, or gas-burning units.

Puget Sound- \$750 for wood, \$1,500 for pellet. Low income households have higher rebates; \$2,800 for wood and \$3,000 for pellet.

Incentive specifics available here:
<http://www.pscleanair.org/programs/community/woodstove.replacement/default.aspx>

West Virginia:

Bill currently being negotiated.

Wisconsin:

Wisconsin provides a minor incentive with the Renewable Energy Sales Tax Exemption. Exempts biomass sold as fuel for residential use from 100% of state sales and use tax. Biomass is defined as wood, energy crops, biological wastes, biomass residues, and landfill gas.

Incentive specifics available here:
http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=WI62F&re=1&ee=1