

The Biomass Stove Tax Credit

What do consumers need to know?



Beginning of the Biomass Stove Tax Credit

The biomass stove tax credit, a dollar-for-dollar, nonrefundable credit, was **first enacted in 2009** by the American Recovery and Reinvestment Act. The credit amount and requirements have changed over the years, but the requirements have remained the same for several years.



What qualifies?

- Purchased before December 31, 2020
- The stove burns biomass as a fuel, heats air or water, and is at least 75 percent efficient

How to find qualifying stoves

- Visit your local hearth retailer to find a qualifying stove

 www.hpba.org/Resources/Store-Locator

- If you are in a hurry, the EPA certified stoves list is a good place to start, but understand that some products with qualifying efficiencies may not be reflected on the list.

 bit.ly/EPAcertifiedstoves

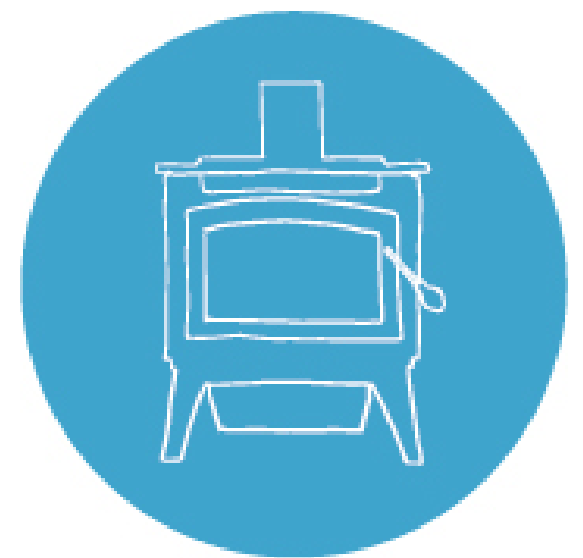
What paperwork you should keep for your tax records

- Purchase receipt
- The manufacturer certificate stating that the stove qualifies for the credit and is at least 75 percent efficient

Lifetime Limit

\$500

Can't claim more than \$500 over the lifetime of the credit. So, if you claimed the \$300 credit in a previous year for a biomass stove, windows, doors, or anything else covered by this provision, you could only claim \$200 a second time before maxing out.



How to claim the credit

- Claim the credit on your federal income tax form
- **File Via Tax Software:** Located in the "credits" section of the Federal portion under home ownership and residential energy credit
- **File Via U.S. Mail:** Usually located on line 22a of IRS form 5695 under residential energy property costs and energy-efficient building property. The IRS provides additional instructions for this form

Purchased a qualifying stove in a previous tax year?

- If you made a qualifying purchase in a previous tax year and you want to claim the credit, you must file an amended return using IRS Form 1040-X.

 www.irs.gov/forms-pubs/about-form-1040x

Learn more at
bit.ly/StoveTaxCredit