

# The Energy Efficient Commercial Building Tax Deduction

An Overview of the Tax Deduction for Energy Efficient Commercial Buildings  
(Section 179D of the Internal Revenue Code)



**For the first time in over 18 years, ASHRAE has proposed increases to the minimum required roof and wall insulation levels in Standard 90.1** –the national model energy code for commercial buildings. The more important news is that the Standard 90.1 committee has approved these proposed changes for the next version of the Code.

## What does this mean?

The above-deck roof insulation requirements currently at **R-15 go to R-20 – a 33% increase** in roof insulation levels. Similar increases are proposed for walls. The next step in this process is ratification of the committee's approval by various levels of the ASHRAE Standards development process, culminating in acceptance by the ASHRAE Board of Directors – expected in June of this year.

## Why is the ASHRAE Board expected to adopt these new values?

The Board charged the 90.1 committee to deliver a new commercial building energy standard that is 30% more efficient than the 2004 version by 2010! The actual changes are climate zone and building type specific. The ASHRAE Standard has various performance compliance mechanisms – from prescriptive requirements to computer simulations and trade-offs. **But regardless of the code compliance approach used, these new insulation values establish a new benchmark for commercial building energy efficiency.**

This is ASHRAE's first step to support the emerging trend to make buildings significantly more efficient. In many ways these new insulation levels are long overdue. Architects across the country are already installing insulation at levels that exceed these values. Those architects and designers seeking beyond-code recognitions (such as LEED, Energy Star, Building America, etc.) will now go even further to deliver advanced building envelopes and higher levels of insulation.

While issues of implementation and timing are yet to be fully resolved, once approved by the ASHRAE Board these new values will represent a new national standard against which all codes will be compared. **Architects, specifiers and other certifying professionals will have a new standard of care to meet regarding commercial building energy efficiency.**




Stay tuned. It's about to get very exciting.

## ASHRAE Climate Zone Map.

PIMA and its members endorse advanced building envelopes that exceed the code and offer superior energy performance. In all climate zones, insulation can dramatically help to reduce cooling loads and lower energy costs. This is predicated on existing ASHRAE requirements and independent analysis that concludes that additional roof insulation is cost effective, saves energy, and reduces pollution and carbon emissions.

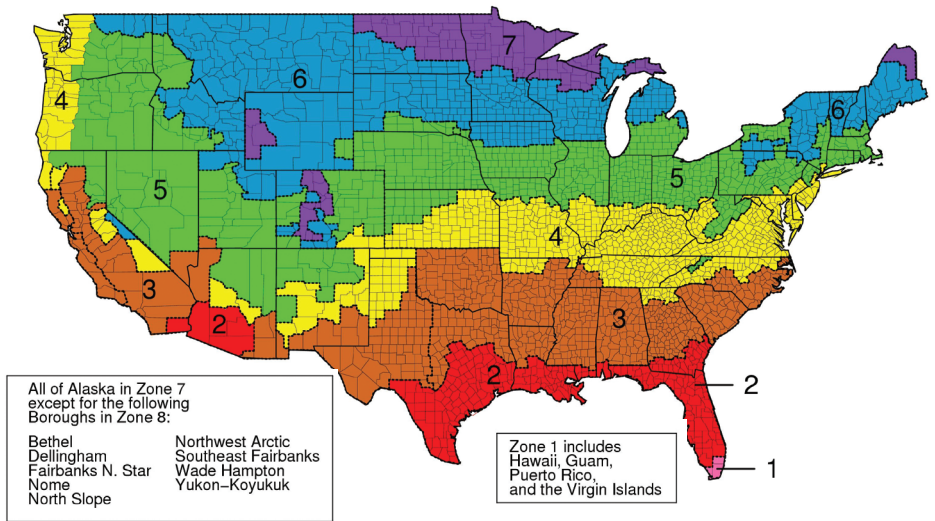
Below please find their recommended R-values for the ASHRAE Climate Zones:

**Commercial Roof Insulation Recommendations**

-  Zones 1 thru 3  
PIMA Recommended R-value – R-20
-  Zones 4 thru 6  
PIMA Recommended R-value – R-25
-  Zones 7 and 8  
PIMA Recommended R-value – R-30

**Wall Insulation Recommendations**

-  Zones 1 thru 3  
PIMA Recommended R-value – R-20
-  Zones 4 thru 8  
PIMA Recommended R-value – R-25



*The ASHRAE Standard addresses building envelope and system requirements for commercial buildings, residential buildings higher than three stories, and semi-conditioned buildings (warehouses, etc.). It is the nation’s model standard for establishing the energy performance requirements of these building types.*

In order to provide the most up-to-date technical and industry information about polyiso insulation, PIMA—the trade association of the polyiso industry—researches and posts technical bulletins, advisories and case studies. These documents are published as a public service to help expand the knowledge of architects, consultants, building owners and roofing contractors and to build consensus on the performance characteristics of polyiso. For continued updates and additional information on this important topic visit [www.polyiso.org](http://www.polyiso.org), or contact a polyiso manufacturer.

**PIMA**

For over 20 years, PIMA (Polyisocyanurate Insulation Manufacturers Association) has served as the unified voice of the rigid polyiso industry proactively advocating for safe, cost-effective, sustainable and energy efficient construction.

PIMA produces technical bulletins in an effort to address frequently asked questions about polyiso insulation. PIMA’s technical bulletins are published to help expand the knowledge of specifiers and contractors and to build consensus on the performance characteristics of polyiso. Individual companies should be consulted for specifics about their respective products.

PIMA’s membership consists of manufacturers and marketers of polyiso insulation and suppliers to the industry. Our members account for a majority of all of the polyiso produced in North America.

**SAFETY**

Polyiso insulation, like wood and other organic building materials, is combustible. Therefore, it should not be exposed to an ignition source of sufficient heat and intensity (e.g., flames, fire, sparks, etc.) during transit, storage or product application. Consult the product label and/or the PIMA members’ Material Safety Data Sheets (MSDS) for specific safety instructions. In the United States, follow all regulations from OSHA, NFPA and local fire authorities; in Canada, follow all regulations from Health Canada Occupational Health and Safety Act (WHMIS) and local fire authorities.

**For more information on polyisocyanurate insulation, visit [www.polyiso.org](http://www.polyiso.org)**



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