Geothermal Innovative Energy LLC

Geo-Newsletter February 2024

It's that time of year – tax time.

Understanding the 30% Energy Tax Credit for Geothermal Systems.

The 30% energy tax credit is a financial incentive the government provides to encourage the adoption of renewable energy systems, including geothermal heating and cooling systems. Homeowners who install a qualifying geothermal system can receive a tax credit equal to 30% of the system's total cost, including installation.

Key Eligibility Criteria: To qualify for the 30% energy tax credit, homeowners must meet specific criteria. These criteria may include the type of geothermal system installed, its efficiency rating, and whether it is used for a primary residence. It's essential for homeowners to thoroughly research and ensure their geothermal system meets the eligibility requirements to maximize the benefits of the tax credit.

Tax Credit vs. Tax Deduction: Understanding the distinction between a tax credit and a tax deduction is crucial. While both can reduce the amount of taxes owed, they operate differently.

1. Tax Credit:
    - A tax credit directly reduces the amount of taxes you owe.
    - In the case of the 30% energy tax credit, if your geothermal system installation costs $20,000, you would receive a $6,000 tax credit, reducing your tax liability by that amount.
2. Tax Deduction:
    - A tax deduction reduces your taxable income.
    - Unlike a tax credit, which directly reduces taxes owed, a tax deduction lowers the amount of your income subject to taxation. For example, if you qualify for a $6,000 tax deduction, it reduces your taxable income by that amount.

Conclusion: Installing a geothermal system contributes to a sustainable future and offers significant financial benefits through the 30% energy tax credit. Homeowners should carefully consider the eligibility criteria and understand the difference between tax credits and deductions to make the most informed decisions for their homes and wallets. By embracing geothermal technology, homeowners can enjoy a more energy-efficient and cost-effective way of living while contributing to a greener planet.

(715) 410-3966 waltmanj@innovativeenergywi.com

Service Checks!

Just a reminder that annual or bi-annual service checkups are essential to maintain the efficiency and proper working condition of your geothermal heat pump. Feel free to reach out if you ever need some service work or want an inspection & performance test. The Innovative Energy Team is here to help!

Phone: (715) 410-3966

Email: waltmanj@innovativeenergywi.com or jwaltman@innovativeenergywi.com

CHISAGO LAKES SHOWCASE

SATURDAY
MARCH 23RD
9:00AM - 4:00PM

CONNECTING BUSINESS & COMMUNITY

CHISAGO LAKES COMMUNITY EDUCATION | CHISAGO LAKES CHAMBER | Chisago County PRESS

Innovative Energy will have a booth at the Chisago Lakes Showcase!

Join us and say hi!

Date: Saturday, March 23rd, 2024

Time: 9:00 am to 4:00 pm

Location: Chisago Lakes Wildcat Community Center

IGSHPA
International Ground Source Heat Pump Association

Innovative Energy's leading distributing company, K&E Distributing, met at the annual IGSHPA conference in Las Vegas in December. Collaborative teams presented success stories, geothermal opportunities, and new geo technologies that will revolutionize the geothermal heating and cooling field. Some exciting new things that were talked about include…

- CLAD heat exchanger, which will reduce drilling price for closed loop applications
- Variable speed water to water heat pump
- Various controllers for signaling to multiple zones
- Open loop, closed loop, and pond loop applications
- And much more

Feel free to learn more about the International Ground Source Heat Pump Association!

https://igshpa.org/2023-conference-proceedings/

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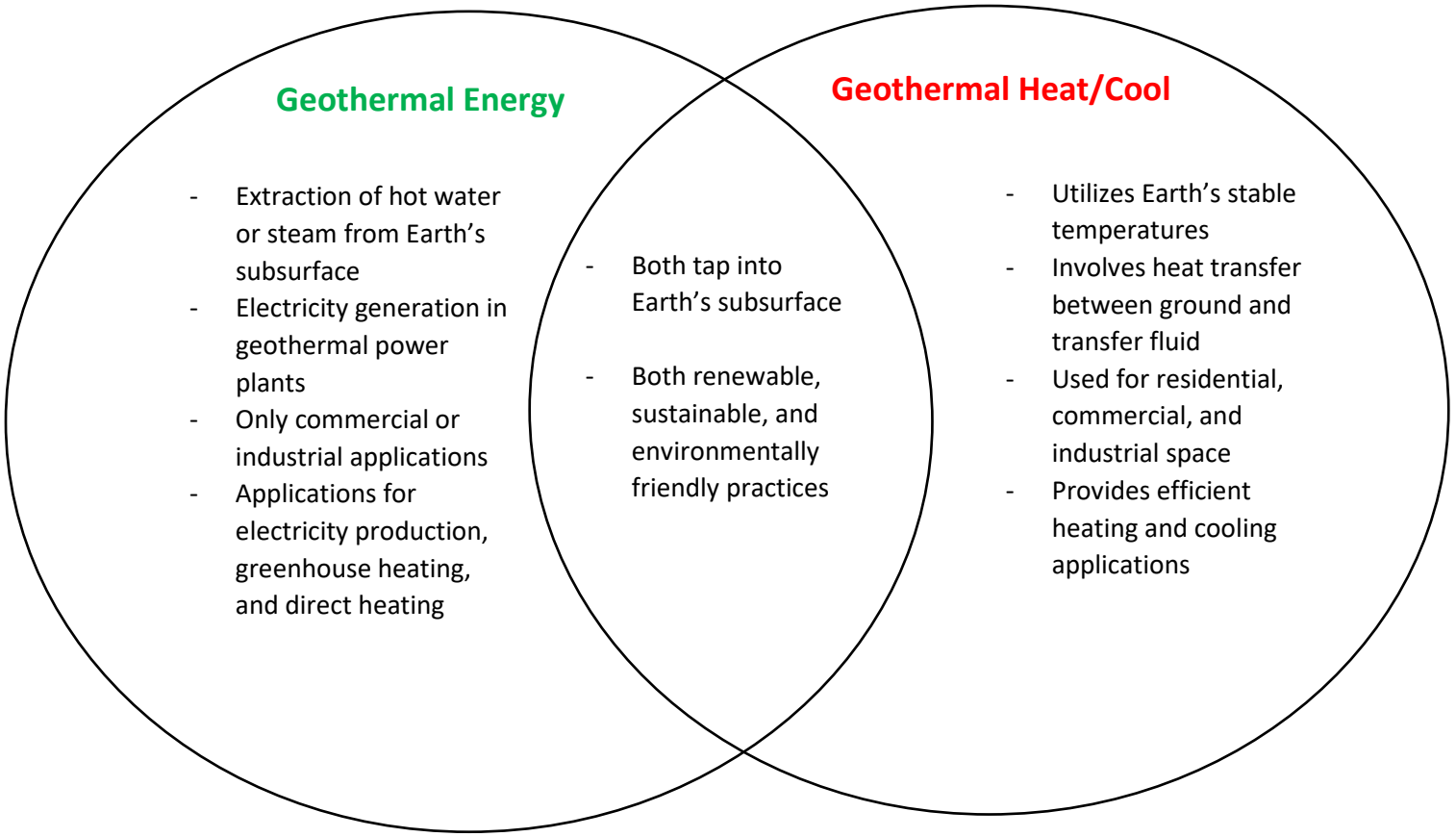
Geothermal Energy vs. Geothermal Heating/Cooling

I'm sure most of you understand geothermal heating and cooling by now, but do you know about geothermal energy? Geothermal energy is a renewable and sustainable power source derived from the Earth's internal heat. This energy is harnessed by tapping into the natural heat stored beneath the Earth's surface. Geothermal power plants use heat from the planet's interior to generate electricity. The process involves accessing hot water or steam reservoirs underground and converting the thermal energy into electricity, typically by spinning turbines or utilizing it directly for heating and cooling purposes.



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