

# MAINE STATE LEGISLATURE

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# 132nd MAINE LEGISLATURE

## SECOND REGULAR SESSION-2026

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**Legislative Document**

**No. 2140**

S.P. 858

In Senate, January 7, 2026

### **An Act to Reduce Household Energy Costs in Response to Federal Cuts**

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Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 203.

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in black ink, appearing to read "D M Grant", is positioned above the printed name of the Secretary of the Senate.

DAREK M. GRANT  
Secretary of the Senate

Presented by Senator TEPLER of Sagadahoc.

1       **Be it enacted by the People of the State of Maine as follows:**

2               **Sec. 1. 36 MRSA §5219-CCC** is enacted to read:

3       **§5219-CCC. Energy-efficient home improvement tax credit**

4               **1. Definitions.** As used in this section, unless the context otherwise indicates, the  
5 following terms have the following meanings.

6               A. "Air sealing materials" means materials used to create barriers against drafts and  
7 prevent or reduce the loss of heat from a building and includes, but is not limited to,  
8 caulk, weather stripping, sealant foam and tape.

9               B. "Building envelope improvement" means an improvement to a permanent residence  
10 as follows:

11               (1) The repair of an exterior door or an exterior window or skylight or the  
12 replacement of an exterior door or an exterior window or skylight with an  
13 energy-efficient door, window or skylight; and

14               (2) The use of insulation and air sealing materials.

15               C. "Home energy audit" means an inspection of a permanent residence to determine  
16 the most significant and cost-effective energy efficiency improvements conducted by  
17 a qualified home energy auditor or under the supervision of a qualified home energy  
18 auditor.

19               D. "Permanent residence" means a place in this State where an individual has a true,  
20 fixed and permanent home and principal establishment to which the individual,  
21 whenever absent, has the intention of returning. An individual may have only one  
22 permanent residence at a time and, once a permanent residence is established, that  
23 residence is presumed to continue until circumstances indicate otherwise.

24               E. "Qualified energy-efficient improvement" means a home energy audit or building  
25 envelope improvement that is conducted or first placed in service during the taxable  
26 year.

27               F. "Qualified expense" means an expense made for a qualified energy-efficient  
28 improvement made to a taxpayer's permanent residence.

29               G. "Qualified home energy auditor" means an individual who is certified by the United  
30 States Department of Energy to conduct energy-efficient home energy audits.

31               **2. Credit allowed.** For tax years beginning on or after January 1, 2026, a resident  
32 individual is allowed a credit against the tax otherwise due under this Part for qualified  
33 expenses incurred for a qualified energy-efficient improvement. The amount of the credit  
34 is determined as follows.

35               A. For a home energy audit, the maximum credit allowed under this section is \$150.

36               In order to qualify for the credit, the qualified home energy auditor shall conduct a  
37 home energy audit that is consistent with industry standards and provide a written  
38 report that includes, at a minimum:

39               (1) The results of the home energy audit identifying the most significant and cost-  
40 effective energy-efficient improvements for the permanent residence and an

1 estimate of the energy and cost savings that would be attained with respect to those  
2 improvements;

3 (2) The qualified home energy auditor's name and relevant employer identification  
4 number or, if the qualified home energy auditor does not have an employer  
5 identification number, another type of appropriate taxpayer identification number;  
6 and

7 (3) An attestation that the qualified home energy auditor is certified to conduct  
8 home energy audits by a qualified certification program and the name of that  
9 qualified certification program.

10 **B. For building envelope improvements, the maximum credit is:**

11 (1) For an exterior door, \$250 per door and \$500 total and for an exterior window  
12 or skylight, \$600 total.

13 An exterior door or exterior window or skylight must meet or exceed applicable  
14 United States Environmental Protection Agency and United States Department of  
15 Energy Energy Star program standards or similar energy efficiency standards  
16 established or approved by the Efficiency Maine Trust; and

17 (2) For insulation and air sealing materials, \$1,200.

18 The insulation and air sealing material must meet or exceed International Energy  
19 Conservation Code standards in effect as of the beginning of the calendar year that  
20 is 2 years prior to the calendar year in which the materials are placed in service.

21 The cost of the labor to install a building envelope improvement is not eligible for the  
22 credit under this section.

23 **3. Refundability.** The credit allowed under this section is refundable.

24 **4. Phase-out.** The amount of the credit allowed by this section must be reduced, but  
25 not below zero, by \$20 for each \$500 or fraction thereof by which the taxpayer's Maine  
26 adjusted gross income exceeds:

27 A. For individuals filing as single individuals, \$100,000;

28 B. For an individual filing as a head of household, \$125,000;

29 C. For individuals filing married joint returns or surviving spouses, \$150,000; and

30 D. For a married individual filing a separate return, 1/2 of the applicable amount under  
31 paragraph C.

## 32 **SUMMARY**

33 This bill, which is based on the federal energy-efficient home improvement credit that  
34 expired December 31, 2025, allows a resident to claim a refundable tax credit for the cost  
35 of energy-efficient improvements made to that resident's permanent residence in Maine.  
36 Eligible energy-efficient improvements are:

37 1. A home energy audit that is conducted by a qualified home energy auditor or  
38 someone under the supervision of a qualified home energy auditor. The maximum credit  
39 for a home energy audit is \$150;

1           2. The repair of an exterior door or exterior window or skylight or the replacement of  
2 an exterior door or an exterior window or skylight with an exterior door or exterior window  
3 or skylight that meets or exceeds specified energy efficiency standards. The maximum  
4 credit available for a replacement door is \$250 per door, up to a maximum of \$500 for more  
5 than one door, and for a replacement window or skylight, \$600 total; and

6           3. The use of insulation and air sealing materials that meet or exceed International  
7 Energy Conservation Code standards in effect as of the beginning of the calendar year that  
8 is 2 years prior to the calendar year in which the materials are placed in service. The  
9 maximum credit for insulation and air sealing material is \$1,200.

10           The credit is not available for the cost of labor to install a door, window or skylight or  
11 insulation and air sealing material.

12           The credit is phased out based on income limits.