

Title of the measure:	HOU-BEL1 Federal government - Tax deduction for energy saving measures in residential buildings
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General description

The Federal law of 10 August 2001 on the personal income tax reform introduced into the personal income tax code provisions stipulating that investments to improve the rational use of energy give entitlement to income tax reductions.

Past deduction levels are shown in the table below.

	2003 > 2005 Expenses 2002 > 2004	2006 Expenses 2005	2007 Expenses 2006	2008 Expenses 2007	2009 Expenses 2008
Target audience	owner	owner tenant	owner tenant	owner tenant	owner tenant
Deductible amount (% of the investment, VAT included)					
Replacement of old boilers	15%	40%	40%	40%	40%
Solar water heaters	15%	40%	40%	40%	40%
Photovoltaic systems	15%	40%	40%	40%	40%
Geothermal energy systems	15%	40%	40%	40%	40%
Installation of double glazing	40%	40%	40%	40%	40%
Roof insulation	40%	40%	40%	40%	40%
Installation of a central heating regulation	40%	40%	40%	40%	40%
Energy audit	40%	40%	40%	40%	40%
Boiler maintenance					40%
Maximum amount (€/house)					
- new building	500 (*)	620	1280	2600	2650 (**)
- existing building	500 (*)	750	1280	2600	2650 (**)

(*) Indexed amount

(**) 3440 for solar water heaters and photovoltaic systems

From 2009 an income tax reduction was also awarded to owners of new passive dwellings (Law of 27 April 2007). The tax reduction amounted to 790 €/year for 10 years. It could be cumulated with the tax reduction for energy saving investments.

However, from the 1st of January 2012, the tax reduction covering energy conserving expenditures was abolished. Only expenses for roof isolation may still be covered by a tax reduction not exceeding 3010 € equal to 30% of the invoice.

Impact evaluation (methods and results)

No impact evaluation is available.

Interaction of measures

This measure interacts with the following other measures:

- BEL 10 Subsidies to households for improving energy efficiency
- BEL 19 Minimum requirements on insulation in dwellings
- BEL 8 Energy performance of building
- BEL 20 Energy performance certificate for buildings
- BEL 25 Information campaigns
- BEL 27 Local information centre on energy efficiency

Historical data

The income-tax declaration of 1980-1985 allowed landlords to declare insulation in existing buildings as a reduction of taxable income (effective 1/01/1980).

This included the following :

- filling the cavity wall with an insulating material;
- external insulation of external walls;
- insulation of roofs;
- insulation of floors in unheated rooms;
- replacement of single glazing by double glazing or by overglazing.

If the total value of the insulation work was greater than 620 euros (25 000 BEF) and less than 7437 euros (300 000 BEF), then 40% of this value was deducted from declared income.

The landlord had the possibility of distributing the investments over several income-exercises.

The reduction did not concern tenants or landlords who did not occupy the dwelling.

References

http://finances.belgium.be/fr/particuliers/avantages_fiscaux/fiscalite_verte/economie_energie/

http://financien.belgium.be/nl/particulieren/belastingvoordelen/groene_fiscaliteit/energiebesparing/