



Inflation Reduction Act Information Sheet for Business Owners

What is the Inflation Reduction Act (IRA)?

The IRA is an act that aims to lower energy costs by investing in clean energy.

Bonuses Available	Information/Notes
Prevailing Wage & Apprenticeship	<ul style="list-style-type: none"> - Provides 500% increase in tax credits for projects that qualify (not required for less than 1 MW or start of construction before 60 days after 2023 guidance) - Laborers and mechanics employed by taxpayer, contractor or subcontractor must be paid not less than prevailing wage - or else face penalties - 12.5% (15% starting 2024) of total labor hours must be performed by qualified apprentices from a registered apprenticeship program
Domestic Content	<ul style="list-style-type: none"> - Provides 10% increase in tax credits for projects that qualify - Steel, iron or manufactured product components must be produced in U.S. - Manufactured products must have 40% (20% for offshore wind) of costs attributable to products mined, produced or manufactured in U.S.
Energy Communities	<ul style="list-style-type: none"> - Provides 10% increase in tax credits for projects that qualify - Project located on: Brownfield Site; MSA fossil fuel economy + unemployment (determined by Secretary); Census tract (and adjacent) with closed coal mine or coal electricity plant
Environmental Justice (Solar or Wind)	<ul style="list-style-type: none"> - Provides awarded 10% or 20% increase in investment tax credits for projects that qualify - Application and allocation procedures, 1.8 GW of allocation per year, maximum <5MW per project - In a Low Income Community (10%+) - NMTC census tract or Indian Land - Part of Qualified Low-Income Residential Building (20%+) - affordable housing program and financial benefits allocated equitably among occupants - Part of Qualified Low-Income Economic Benefit Project (20%+) - 50% of financial benefits provided to low-income households (<200% poverty line or < 80% AMI)

To access IRS forms, please go to <http://bit.ly/3HoQ6nn>

Or use this QR code:



Rebates for Business Owners	Name of Rebate?	What it's for?	Credit/Deduction Amount	How to Access Rebate?
Section 48 (until 2025)	Investment Tax Credit	Tax credit for solar, wind, & other energy property	6% base tax credit amt, 30% if prevailing wage & apprenticeship requirements are met or < 1 MW	Form not available yet
Section 45 (until 2025)	Production Tax Credit	For renewable energy electricity production	Per kWh \$ amount for 10 year period	Form not available yet
Section 48E (after 2025)	Clean Electricity Investment	Tax credit for clean electricity investment, technology neutral ITC replacement	6% base tax credit amount (30% if prevailing wage and apprenticeship requirements are met)	Form not available yet
Section 45Y (after 2025)	Clean Electricity Production	Tax credit for clean electricity production, technology neutral PTC replacement	Per kWh \$ amount for 10-year period; Prevailing Wage and Apprenticeship Requirements bonus (500% increase)	Form not available yet
Section 45L	New Energy Efficient Homes	Tax credit for new energy efficient net zero or Energy Star homes	\$5,000 for single family net zero, \$2,500 for single family Energy Star; \$1,000 for multifamily net zero, \$500 for multifamily Energy Star; 500% increase for multi-family meeting prevailing wage requirements	IRS Form 8908
Section 179D	Energy Efficient Commercial Buildings	Tax deduction for energy efficient commercial building property	\$0.50 per SF base, up to \$1.00 for reducing energy cost by more than 25%; 500% increase for projects meeting prevailing wage and apprenticeship requirements	Form not available yet
Section 30C	Alternative Fuel Vehicle Refueling	Tax credit for electric vehicle charging stations	30% for non-commercial or commercial meeting prevailing wage and apprenticeship requirements (6% for other commercial); \$100,000 maximum for commercial	Form not available yet
Section 30D	New Clean Vehicles	Tax credit for new or used electric and fuel cell vehicles	\$3,750 or \$7,500 (based on battery) per new vehicle, lesser of \$4,000 or 30% of cost per used vehicle	IRS Form 8936, tax return for the year you took possession of the vehicle, & the VIN
Section 48C	Advanced Energy Manufacturing Projects	Awarded tax credit for manufacturing facilities of advanced energy properties	6% (or 30% if prevailing wage and apprenticeship requirements met) of qualified investment in manufacturing facility, \$10B program cap (\$4B to energy community)	Form not available yet
Section 45X	Advanced Manufacturing Component Production	Tax credit for eligible components produced and sold	Various amounts per component	Form not available yet
Section 45W	Commercial Clean Vehicles	Tax credit for incremental cost of commercial electric or fuel cell vehicles	30% tax credit for incremental cost of commercial electric or fuel cell vehicles (15% if powered by gas or diesel); Maximum credit \$7,500 for less than 14,000lbs and \$40,000 for all other	Form not available yet
Section 45Z	Clean Fuel Production	Tax credit for clean transportation and aviation fuel produced and sold	Per gal amount - \$0.20 for transportation fuel and \$0.35 for aviation fuel 500% for meeting prevailing wage and apprenticeship requirements	For Biodiesel and Renewable Diesel Fuels, Form 8864; For Biofuel Producer Credit, Form 6478; For Aviation Fuel, see Notice 2023-06
Section 45V	Production of Clean Hydrogen	Tax credit for clean hydrogen produced	Per gal amount - \$0.12 to \$0.60 (depending on GHGE rate) for 10-year period; 500% for meeting prevailing wage and apprenticeship requirements	Form not available yet