

Inflation Reduction Act 101:

Clean Vehicle Credit

What It Is:

Provides a tax credit to people who buy clean vehicles, such as electric cars and plug-in hybrids

Who Can Claim It:

Buyers' adjusted gross income cannot exceed:

- \$300,000 (couples)
- \$225,000 (heads of household)
- \$150,000 (singles)

Credit Amount:

Up to \$7,500 for 2023-2032

Inflation Reduction Act 101:

Residential Clean Energy Credit

What It Is:

Provides people a tax credit for installing solar panels, efficient exterior windows, skylights, exterior doors, water heaters, and other items, including a 30% tax credit for solar installation

Who Can Claim It:

Homeowners (including renters)

Base Credit Amount:

30% of cost of equipment through 2032
26% in 2033
22% in 2034

Inflation Reduction Act 101:

Low-Income Communities Bonus Credit

What It Is:

Provides an additional investment tax credit for small-scale solar and wind facilities on Indian land and in low-income communities

Who Can Claim It:

Facilities that deliver direct financial benefits to low-income households and those on Indian land with an output of 5 MW or less

Tax Credit Amount:

Provides up to a 20% investment tax credit above the existing 30%

Inflation Reduction Act 101:

Production Tax Credit for Electricity from Renewables

What It Is:

Provides a tax credit for production of electricity from renewable sources

Who Can Claim It:

Facilities generating electricity from renewable energy sources

Base Credit Amount:

1.1 to 2.3-cent per kWh incentive for the first 10 years

