

Consumer Benefits under the Inflation Reduction Act

Tax Credits

Residential Clean Energy Credit (Sec. 25D): Covers projects that make residential energy efficient, including solar projects

- Households upgrading their electric panel in conjunction with solar may be eligible for **an uncapped** 30% tax credit

Energy Efficient Home Improvement Credit (25C): Includes energy efficient improvements and home energy audits

- Covers \$1,200 for energy property costs, \$500 total for doors, \$600 for windows, and \$150 for home energy audits
- Covers \$2,000 per year for qualified heat pumps
- Can be claimed **annually** until 2033



Rebates

High Efficiency Electric Home Rebate (HEEHRA) Program: Covers Energy Efficient Appliances, including heat pump clothes dryers

Electric/Induction Stoves – Up to \$840 at 100% for low-income, 50% for moderate

Heat Pump Water Heaters– Up to \$1,750 at 100% for low-income, 50% for moderate

Home Owner Managing Energy Savings (HOMES) Program: Includes Energy Efficient Retrofits



Electrical Panels– Up to \$4,000 at 100% for low-income, 50% for moderate

Electrical Wiring– Up to \$2,500 at 100% for low-income, 50% for moderate

Weatherization– Up to \$1,600 at 100% for low-income, 50% for moderate

Electric Vehicles

Credit goes up to \$7,500 based on the following:

- \$3,750 is based on whether 40% of the critical battery minerals are sourced from countries the US has free trade agreements with
- \$3,750 is based on whether at least 50% of the battery components are sourced as above
- Final assembly in the US is required
- Cars cannot exceed \$55,000; SUVs no more than \$80,000
- Income eligibility: \$150,000 if filing single; \$300,000 for joint households
- Used EVs qualify for a 30% tax credit capped at \$4,000. Income limit \$75k and vehicle cannot exceed more than \$25,000 when purchased
- Starting in 2024: these credits can be taken at the point of sale

