

Inflation Reduction Act – Transferable Tax Credits

December 2023

Maheer Haddad

1

Agenda

01 Introduction	3
02 Tax Credits for Renewable Power and Energy Storage	7
03 Other Tax Credits	14
04 Prevailing Wage and Apprenticeship Requirements	22
05 Bonus Credits	26
06 Tax Credit Utilization and Monetization	32
07 Questions	46

2

01 Introduction

3

Inflation Reduction Act of 2022: Overview

- Signed into law on August 15, 2022.
- Largest investment in clean energy and climate change by US.
 - Projected to significantly reduce greenhouse gas emissions by 2030.
 - Promises over \$700 billion for energy and climate change, with over \$370 billion of funding to provide tax credits for clean energy projects.

4

Transferable credits expanded or added by IRA

- Clean energy production.
 - Section 45 – Credit for electricity produced from certain renewable resources.
 - Section 45Y – Clean energy production credit (technology neutral).
 - Section 45V – Clean hydrogen production credit.
 - Section 45U – Zero emission nuclear power production credit.
 - Section 45Z – Clean fuel production credit.
- Clean energy investment.
 - Section 48 – Energy credit.
 - Section 48E – Clean electricity investment credit (technology neutral).

5

Credits expanded or added by IRA and CHIPS Act

- Carbon capture and sequestration.
 - Section 45Q – Credit for carbon oxide sequestration.
- Manufacturing.
 - Section 45X – Advanced manufacturing production credit.
 - Section 48C – Advanced energy project credit.
- Clean vehicles.
 - Section 30C – Alternative fuel vehicle refueling property credit.

6

Find the full text of this and thousands of other resources from leading experts in dozens of legal practice areas in the [UT Law CLE eLibrary \(utcle.org/elibrary\)](https://utcle.org/elibrary)

Title search: Transferable Energy Tax Credits

Also available as part of the eCourse

[2023 Taxation eConference: Day 1 - Focus on Business Planning](#)

First appeared as part of the conference materials for the
71st Annual Taxation Conference: Day 1 - Focus on Business Planning session
"Transferable Energy Tax Credits"