

IRA Tax Credits for Households !

30% of the costs of the following items can be deducted from your federal tax bill, subject to the limitations listed below. These tax credits apply to purchases made in 2023 through 2032.

Residential Clean Energy Credit for new or existing homes in the U.S.:

| Device: | Federal Tax Credit: |
|---|--------------------------------------|
| Solar panels (PV) | 30% of cost. NO CAP |
| Solar (water heating) | 30% of cost. NO CAP |
| Battery Storage w/capacity of at least 3 kWh | 30% of cost. NO CAP |
| Wind Turbine | 30% of cost. NO CAP |
| Geothermal Heat Pumps (Energy Star) | 30% of cost. NO CAP |
| Fuel Cells | 30% of cost with a cap per KW |

You may claim the residential clean energy credit for improvements to your main home, whether you own or rent it. Qualified expenses may include labor costs for onsite preparation, assembly or original installation of the property and for piping or wiring to connect it to the home. Traditional building components that primarily serve a roofing or structural function generally don't qualify. For example, roof trusses and traditional shingles that support solar panels don't qualify, but solar roofing tiles and solar shingles do because they generate clean energy. Excess credit can be applied to future tax years.

Credits limited to a combined maximum of \$2,000 per year:

| Device: | Federal Tax Credit, subject to \$2K annual limit: |
|-----------------------------------|---|
| Heat Pumps | 30% of cost |
| Heat Pump Water Heaters | 30% of cost |
| Biomass Stoves and Boilers | 30% of cost |

These credits are for an **existing home** that you improve or add onto, **NOT a new home**. These credit are nonrefundable, so you can't get back more on the credit than you owe in taxes. Unlike the Clean Energy Credits, you cannot apply any excess credit to future tax years.

Credits limited to a combined maximum of \$1,200 per year:

| Building Envelope Components: | Federal Tax Credit, subject to \$1,200 annual limit: | |
|--|--|----|
| Insulation and Air Sealing Materials | 30% of cost | # |
| Windows, including Skylights | 30% of cost, up to \$600 per year | # |
| Exterior Doors | 30% of cost, up to \$250 each, with a maximum of \$500 for 2 doors | # |
| Miscellaneous Residential Energy Property: (includes highest efficiency natural gas, propane and oil) | | |
| Efficient air conditioners | 30% of cost, up to \$600 per year | ## |
| Efficient water heating equipment | 30% of cost, up to \$600 per year | ## |
| Efficient heating equipment | 30% of cost, up to \$600 per year | ## |
| Other: | | |
| Related Electric Panel & Circuit Upgrades | 30% of cost, up to \$600 per year must meet the National Electric Code and have a capacity of 200 amps or more. | |
| Home Energy Audit | 30% of cost, up to \$150 | |

For the items shaded in blue, the combined credit cannot exceed \$1,200 per year. These credits are for an **existing home** that you improve or add onto, **NOT a new home**. These credit are nonrefundable, so you can't get back more on the credit than you owe in taxes. Unlike the Clean Energy Credits, you can't apply any excess credit to future tax years.

Labor costs do NOT qualify. Windows and doors must meet applicable EnergyStar requirements. Insulation and air sealing meet International Energy Conservation Code (IECC) standards in effect at the start of the year 2 years before installation.

Cost may include labor for installation. Must meet the Consortium of Energy Efficiency (CEE) highest efficiency tier, not including any advanced tier, in effect at the beginning of the year when the property is installed.