

# NEW ENERGY ASSISTANCE FOR PENNSYLVANIANS IN THE INFLATION REDUCTION ACT

Democrats passed the Inflation Reduction Act in August 2022. This new law lowers Americans' energy costs by producing more energy in the United States and rewarding Americans for investing in clean energy products and in energy-efficiency in their homes.

Pennsylvanians can claim new tax credits and rebates for energy efficient home improvements and clean vehicle purchases. Save this document and use it as a reference and you may be eligible to claim these credits on your taxes for 2022 and 2023. Additional information coming soon.

PROGRAM	HOW MUCH	HOW TO CLAIM
Residential Clean Energy Tax Credit	Generally, 30% of the cost of new rooftop solar panels, geothermal, battery and small wind energy home installations.	Claim credit on your tax return for purchases from 2022 through 2034.
Energy Efficient Home Improvement Tax Credit	Generally, 30% of the cost of new improvements with a \$2,000 annual cap for heat pumps and biomass stoves and \$1,200 cap for all other improvements. Improvements can include energy-efficient windows and doors, energy-star appliances, electrical panels and more.	Claim the credit for improvements made 2023 through 2032 on your yearly tax return.
Clean Vehicle Tax Credit	Up to \$7,500 for a qualifying made-in-America electric or hydrogen vehicle. Income cannot exceed \$300,000 for married couples, \$150,000 for single filers.	Claim on annual tax returns. Starting in 2024, buyers can transfer credits to dealers to reduce the purchase price of vehicle. Check eligibility at: <a href="https://nhtsa.gov/vin-decoder">nhtsa.gov/vin-decoder</a> .
Used Clean Vehicle credit	\$4,000 or 50% of the cost of a used electric vehicle at least 2 years old. Income cannot exceed \$150,000 for married couples, \$75,000 for single filers.	Claim on your annual tax return for purchases beginning in 2023.
HOMES energy efficiency rebate	Homeowners can receive up to \$4,000 or 50% of the cost of a home retrofit that lower energy consumption by 35%.	Eligible purchasers will receive rebates at the point of sale. Pennsylvania's State Energy Program will implement in 2023.
High-Efficiency Electric Home Rebate	Low- and moderate-income households (generally those below \$140,000 in family income) can collect up to \$14,000 in rebates for heat pumps to heat and cool their homes, water or clothes, for insulation and sealing or for installation of electric stoves, electric appliances, efficient wiring.	Eligible purchasers will receive rebates at the point of sale. Pennsylvania's State Energy Program will implement in 2023.