



Webinar Highlights

Inflation Reduction Act: Impact on Renewable Energy Transactions, Deal Structures, and Tax Considerations

Monday, October 3, 2022

1. Expanding and extending existing tax credits

- Restoring the full rate of PTCs (100%) and ITCs (30%); Increasing and expanding the Section 45Q tax credits
 - For projects that are placed-in-service in 2025 or later, the ITC and PTC are replaced with the technology-neutral zero emission credits at the same rates
 - Overall extension of at least 10 years
 - Solar eligible for PTCs

2. Introducing new tax credits for new technologies

- ITC for stand-alone storage facilities; ITC and PTC for clean hydrogen facilities; Tax credits for manufacturing facilities

3. Creating a two-tier tax credit regime – the “prevailing wage and apprenticeship” requirement (applies 1 MW+)

- Exception for projects that begin construction prior to 60 days following the issuance of new guidance

4. New Tax credits adders

- Domestic Content; Projects located in an “energy community” and/or a “low-income community”

5. New ways to monetize tax credits

- Direct-pay – limited to (i) certain tax-exempts and governmental entities or (ii) credits for carbon capture, clean hydrogen and the advance manufacturing tax credits
- Transferability

CONTACTS

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