

APEC – Southern Illinois

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Inflation Reduction Act – Ok What Now?

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Building on other major changes in the regulatory world related to the energy transition, we have recently begun seeing the impacts of what this may mean on 2023 tax reporting and beyond. With implications on both the Business and Individual side of things, I'm going to focus on a few key areas that this act focuses on and how you and those you know can benefit.

Full Disclosure: As always, check with your accountant on this stuff, that's one hat that I do not wear

One of the biggest focus areas are clean energy vehicles. Tax credits are available up to \$7,500 [with some exceptions](#) and qualifications (fairly similar to years past) but improved as EV prices continue to fall particularly in the sedan segments, making these tax credits more lucrative when comparing to final sticker prices. More importantly, there is additional tax credits *now available* for [used electric vehicles at a rate of 30% up to a maximum credit of \\$4,000](#).

Outside of clean vehicle tax credits, there is an updated Energy Efficient Home Credit available from 2023 to 2034 for anything from exterior doors, to insulation, to energy audits, to energy efficient HVAC, and others, mostly with [30% tax credits up to a specific limit](#).

Be sure to be considering these incentives for any big projects you are planning in 2023!

Best,
Sid Daller

[Credits for New Clean Vehicles Purchased in 2023 or After | Internal Revenue Service \(irs.gov\)](#)
[Used Clean Vehicle Credit | Internal Revenue Service \(irs.gov\)](#)
[Frequently asked questions about energy efficient home improvements and residential clean energy property credits — Energy Efficient Home Improvement Credit: Qualifying Expenditures and Credit Amount | Internal Revenue Service \(irs.gov\)](#)