

Consumer-facing tax credits and rebates

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About the Citizens Utility Board (CUB)



Advocates for affordable and sustainable energy policies in IL

Represents utility ratepayers:

IL Commerce Commission, IL General Assembly, Courts

Helps individuals:

1-800-669-5556 (hotline)
citizensutilityboard.org




Conducts Consumer Education

Outreach events (~500/yr)

Virtual Utility Bill Clinics: email scanned bills to
ubc@citizensutilityboard.org

Media & publications



| Name | Type of Program | Technologies | Target Population | Maximum \$ per Household | Total Budget |
|---|---------------------|--|-------------------------------------|------------------------------------|--------------|
|  Electrification/ Efficiency Tax Credits | Tax credit | Heat pumps, heat pump water heaters, weatherization, panels, home energy audit | Everyone who owes taxes | 30%, up to \$1,200 per year | Unlimited |
|  Clean Energy Tax Credits | Tax credit | Solar, storage, geothermal | Everyone who owes taxes | 30% | Unlimited |
| EV Tax Credits | Tax credit/ Rebates | New EVs, Used EVs | Non-high income households | \$7,500 (new) \$4,000 (used) | Unlimited |
| EV Charging Tax Credit | Tax credit | EV chargers | Rural or low-income census tracts | 30%, up to \$1,000 | Unlimited |
|  Electrification and Appliance Rebates | Rebates | Heat pumps, heat pump water heaters, electric stoves, heat pump clothes dryers, panels, wiring, weatherization | Low- and moderate-income households | Up to \$14,000 | \$4.5B |
| Energy Efficiency Rebates | Rebates | Whole-home improvements (including heat pumps) | Everyone | \$4,000 (non-LMI) \$8,000 (LMI) | \$4.3B |



Available now



Likely late 2024



Home Energy Efficiency and Weatherization Tax Credits

Starting in January 2023 and for each year for the next decade ALL consumers can claim a tax credit for 30% of the cost of qualified projects for up to \$1200 annually.

- Up to \$150 for Home Energy Audits
- Up to \$500 for efficient exterior doors (\$250 per door)
- Up to \$600 for efficient exterior windows or skylights
- Up to \$600 for qualifying efficient central A/C, electrical panel upgrades, and water heaters/water boilers

There is also an additional **one-time** \$2,000 tax credit for upgrading space or water heaters that does not count towards the \$1,200 annual tax credit.



Residential Clean Energy Tax Credits

Starting in January 2023 and for each year for the next decade ALL consumers can claim a tax credit for 30% of the cost of qualified projects.

The credit percentage rate phases down to 26 percent for property placed in service in 2033 and 22 percent for property placed in service in 2034.

- Solar electric panels
- Solar water heaters
- Geothermal heat pumps
- Battery storage



Electrification and Appliance Rebates

The IRA includes funding to help low and moderate-income (80%-150% AMI) residents to transition away from gas over the next 10 years starting in late 2024.

- Up to \$840 for an electric stove **or** clothes dryer
- Up to \$1,600 for insulation, air sealing and ventilation
- Up to \$1,750 for a heat pump water heater
- Up to \$2,500 for electric wiring
- Up to \$4,000 for upgrading electric panels
- Up to \$8,000 for air source heat pumps

Consumers with an income of 80% of the Area Median Income can claim a rebate covering **the full price of electric appliances**, up to a \$14,000 cap.

Consumers with an income of 150% of the Area Median Income can claim a rebate cover **50% off the cost of appliances** for up to a \$14,000 cap.



MidAmerican Rebates and Discounts

More information on these savings can be found:

<https://www.midamericanenergy.com/il-residential-rebates>

- Up to \$375 for Air Source Heat Pump
- Up to \$300 for Ductless Split Heat Pumps
- Up to \$1,200 for Geothermal Heat Pumps
- Up to \$225 for Heat Pump Water Heater



Stacking Incentives

Eg. Air source heat pump (at or below 80% AMI)

- Home Energy Efficiency and Weatherization Tax Credits: **\$2,000 one-time tax credit**
- Electrification and Appliance Rebates: **up to \$8,000**
- Utility discount: **up to \$375**

Up to \$10,375 in savings!



Thank you for listening!



**CUB's Electrification
Webpage**



CUB's IRA Guide



**ReWiringAmerica.org'
s
IRA Calculator**

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