

WELCOME TO THE TAX CREDIT REVOLUTION: NEW OPPORTUNITIES FOR THE ENERGY INDUSTRY IN THE INFLATION REDUCTION ACT

Date: 18 August 2022

U.S. Energy, Infrastructure, and Resources Alert

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On 16 August 2022, President Joe Biden signed the Inflation Reduction Act of 2022 (IRA). While not as expansive as the Build Back Better Act, the IRA has the potential to dramatically accelerate the energy transition in the United States. Features of the IRA include extensions and tweaks of several popular credits for renewable electricity, alternative fuel vehicles, and carbon capture, as well as numerous new renewable energy and fuels credits and a fundamental pivot after 2024 to renewable electricity credits based on greenhouse gas emissions of generation technology. In addition, new credits for manufacturing and recycling related to the renewable energy sector may help drive increased investment in American manufacturing. Further, the new direct pay and transferability techniques create opportunities for new financing structures and stakeholders.

To help our clients understand and benefit from these new tax credits, we have prepared a high-level summary for several key technologies, primarily in a commercial context. Click [here](#) to download the summary.

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