

INFLATION REDUCTION ACT TAX CREDITS

MAXIMIZING YOUR SAVINGS
WITH HOME EFFICIENCY UPDATES



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The Inflation Reduction Act (IRA) makes energy-efficient home upgrades simple and more affordable. A more efficient home can reduce your energy costs, lower carbon emissions, and improve your family's comfort. OPPD is your trusted resource for IRA tax credits, helping you make informed decisions and connecting you with OPPD-certified Trade Allies who can complete your updates.

Always refer to a trusted tax professional for personal advice and eligibility on any tax credit.

IRA upgrades could save the average taxpayer up to \$1,000 on annual energy costs by 2030.

Department of Energy, 2023.

WHY UPGRADE?

New energy-efficient technologies are safer, use less power, and are now even more affordable (thanks to the IRA). They can even help lower utility bills by reducing your overall energy costs.

Ready to upgrade your home with a new heat pump, central air-conditioner, or solar panels?

HEAT PUMPS

Heat pumps are 2–3 times more efficient than traditional systems, offering gentler, more natural heating and cooling with reduced emissions and energy costs.

UP TO
\$2,000
TAX CREDIT*

CENTRAL AIR CONDITIONING (AC)

High-efficiency HVAC systems can increase household comfort and save money on energy bills year after year.

UP TO
\$600
TAX CREDIT*

SOLAR POWER

Solar generation can offset household electric costs and provide a source of backup power. Customers who generate surplus power can earn money through OPPD's net-metering program.

30%
TAX CREDIT* ON ROOFTOP
SOLAR INSTALLATION

*credit amounts/limits are subject to change; verify current information at irs.gov/inflation-reduction-act-of-2022 & consult with an OPPD-certified Trade Ally before making any purchases or final decisions

More About IRA Residential Tax Credits

Most IRA credits allow you to claim 30% of installation costs on designated energy-efficient home upgrades as dollar-for-dollar reductions on your taxes that year. You can only claim so much per year, but many credits will be available to claim for several years (some until 2031) and can be claimed multiple times for qualifying work performed during the tax-year. Always consult with your tax professional about your personal eligibility for any tax credit.

The categories below provide a basic overview of the currently available credits.

UPGRADE	CREDIT AMOUNT (annually)	REQUIREMENTS
Battery Storage	30% of materials and labor	Minimum generating capacity of 3 kilowatt-hours
Biomass Stoves, Boilers	30% of materials and labor costs (\$2,000 maximum)	Must meet Consortium for Energy Efficiency's (CEE) highest tier of efficiency and have a thermal efficiency rating of at least 75%
Central AC	30% of materials and labor costs (\$600 maximum)	Must meet Consortium for Energy Efficiency's (CEE) highest tier of efficiency
Electric/Natural Gas Heat Pumps, Water Heaters	30% of materials and labor costs (\$2,000 maximum)	Must meet Consortium for Energy Efficiency's (CEE) highest tier of efficiency
Electric Panel	30% of materials and labor costs (\$600 maximum)	Must be installed in accordance with the National Electric Code and have a load capacity of at least 200 amps
Exterior Doors	30% of materials and labor costs (\$250 per door, \$500 maximum)	Must meet or exceed Energy Star (ES) requirements.
Exterior Windows, Skylights	30% of materials and labor costs (\$600 maximum)	Must meet or exceed Energy Star (ES) requirements
Fuel Cells	30% of materials and labor costs, (maximum \$500 per 1/2 kW of capacity)	Minimum generating capacity of 0.5 kilowatts
Geothermal Heat Pumps	30% of materials and labor costs	Must meet Energy Star (ES) requirements
Home Energy Audit	30% of materials and labor costs (\$150 maximum)	Must include home inspection and written report by certified auditor
Insulation	30% of materials and labor costs (\$1,200 maximum)	Must meet International Energy Conservation Code standards
Natural Gas/Propane/Oil Water Boilers, Heaters	30% of materials and labor costs (\$600 maximum)	Must meet Consortium for Energy Efficiency's (CEE) highest tier of efficiency
Small Wind Turbines	30% of materials and labor costs	Maximum generating capacity of 100 kilowatts
Solar Systems (Including Panels and Water Heating)	30% of materials and labor costs	Must meet Solar Rating Certification Corporation requirements

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For more information on the incentives outlined in the IRA, visit: www.OPPD.com/IRA-Incentives.

