Episode 56WT August 10, 2024. Where Americans Are Taking Advantage of Clean Energy Tax Credits?

United States. New York Times. Where and How Americans Are Taking Advantage of Clean Energy Tax Credits. RAWSEP View this article is about tax credits which began in 2023 but this article is not about rebates. Insulation rebates are rolling out in 2024 and started with Wisconsin on August 2 2024. Heat Pumps and other rebates are rolling out in 2024 starting with New York on May 31, 2024 and Wisconsin by September 2024. The tax credits which are not rebates described below began in 2023. Rebates are applied at time of sale or shortly thereafter. Tax credits are harder to offer to low and middle income taxpayers since the items must be paid for in full and the tax credits follow to benefit the consumer only when taxes are filed. RAWSEP View RAWSEP regrets that these tax credits have been used for Biomass stoves and boilers for 48,180 citizens. RAWSEP View just do not burn wood. Wood burning emits 2.8 times the PM2.5 as the fossil fuel coal burning. Wood burning emits 450 times the PM2.5 as the fossil fuel natural gas burning. Wood burning emits 90% PM2.5 particulate matter of 2.5 micrometer size the perfect size to infiltrate the human lung setting off a cascade of human health problems and early deaths. However RAWSEP applauds that Electric or natural gas heat pumps tax credits were applied for by 267,780 households. Excerpts edited by RAWSEP for brevity and clarity and relationship to Residents Against Wood Smoke Emission Particulates, a 501c3 nonprofit organization. August 8, 2024. Americans claimed more than $8 billion in climate-friendly tax credits under the Inflation Reduction Act last year, according to new data released by the Treasury Department, a “significant” number that is higher than initially expected, officials said. The bulk of the money, more than $6 billion, helped households install rooftop solar panels, small wind turbines and other renewable energy systems. These credits were most popular in sunny states, including much of the Southwest and Florida, the data shows. Clean Energy Tax Credit Percent of households using the credit in 2023 0% white 1% medium green 2% dark green Source: U.S. Department of the Treasury Note: Based on tax returns processed through May 23, 2024. Credits that helped Americans improve the energy efficiency of their homes by installing an electric heat pump or boiler, adding insulation, replacing windows and making other upgrades were most popular in the Northeast and Midwest. Energy Efficient Home Improvement Tax Credit Percent of households using the credit in 2023 0% white 1% light green 2% medium green 3% darkest green Wisconsin and New York Source: U.S. Department of the Treasury Note: Based on tax returns processed through May 23, 2024. A version of both tax credits has existed for years, but they were expanded and extended under the 2022 Inflation Reduction Act, which invested at least $370 billion in clean energy programs across the U.S. economy. The tax incentives have proven so popular that the law’s final price tag is likely to be higher. The new Treasury data offers the first detailed snapshot of how these more generous benefits were used in their first full year, by whom and where. More than 3.4 million households claimed at least one of the subsidies last year, adding up to more than $8 billion in total savings, according to the Treasury analysis. The nonpartisan Joint Committee on Taxation initially suggested the credits would cost $2.4 billion in their first year and around $4 billion in subsequent years. The credit for solar panels was especially popular, the Treasury data shows, with more than 750,000 American households claiming it last year. A credit for heat pumps, meanwhile, was claimed on more than 260,000 tax returns. Some households may have claimed both. Most Popular Uses for Credits Number of 2023 tax returns that claimed credit for each use Solar panels 752,300 Insulation or air sealing 699,440 Exterior windows and skylights 694,450 Exterior doors 659,700 Central air-conditioners 488,050 Efficient natural gas, propane or oil water

heaters 293,300 Efficient natural gas, propane or oil furnaces or boilers 283,390 Electric or natural gas heat pumps 267,780 Solar water heaters 139,130 Electric or natural gas heat pump water heaters 104,180 Electric panel upgrades 93,330 Geothermal heat pumps 80,730 Battery storage technology 48,840 Biomass stoves and boilers 48,180 Small wind turbines 41,990 Home energy audits 36,820 Fuel cells 35,850 Source: U.S. Department of the Treasury Notes: Based on tax returns processed through May 23, 2024. The number of returns has been rounded to the nearest ten. Taxpayers may apply a credit toward more than one technology. (Because the I.R.A. expanded an earlier, expired tax credit for energy-saving home improvements, some more efficient natural gas-burning appliances were also eligible for the subsidy.) Former President Donald J. Trump has said that if he is elected in November and Republicans gain control of Congress, he would push to repeal the Inflation Reduction Act, particularly the tax credits for the purchase of electric vehicles, which were not included in the new Treasury analysis. But in a letter this week to House Speaker Mike Johnson, 18 House Republicans argued against repeal, saying it would harm investments made in the economy. households that install solar panels and switch to more efficient appliances would see lower utility bills for years to come. Making the switch to cleaner energy also helps to guard against "spikes in fossil fuel energy prices, while improving the quality of the air we breathe and reducing carbon emissions," Treasury officials also highlighted that nearly half of the households that claimed at least one of the tax credits had incomes of less than $100,000. But about 75 percent of all tax filers had incomes under $100,000 in 2023, which meant that the credits still disproportionately benefited wealthier taxpayers. this distribution appears to be "substantially less regressive" than in previous years. But he noted that tax credits tend to benefit wealthier people for a variety of reasons: They require consumers to pay up front and wait until tax season to recoup the cost and they sometimes require itemizing tax returns, a practice more common among more affluent households. The I.R.A.'s clean energy and efficiency credits also mostly apply to homeowners, who are usually wealthier than renters. "The I.R.A. tried to break that trend by capping income on a number of provisions," The Inflation Reduction Act did fund some rebates at the point of sale, which could help reduce upfront costs for more lower- and moderate-income homeowners looking to buy efficient appliances and make other improvements. But those rebates have been slower to roll out than the federal tax credits because they require state and tribal governments to set up programs to manage them. So far, only New York and Wisconsin have started their rebate programs but another 19 states and the District of Columbia have applied for funding and expect to offer rebates by the end of the year.