



Direct Pay to Claim Federal Clean Energy Incentives

Good news! Local governments, Tribes, and other qualifying entities that invest in clean commercial vehicles, charging equipment, and other clean energy infrastructure can get tax credits as direct payments from the IRS.

These new benefits are offered to entities that don't pay taxes or receive tax credits, such as schools; state, local, and Tribal governments; nonprofit organizations; U.S. territories; hospitals; and places of worship. Qualifying entities may be especially interested in these tax credits:

- [30C: Alternative Fuel Vehicle Refueling Property Credit](#): Up to \$100,000 for charging and refueling infrastructure
- [45W: Commercial Clean Vehicle Credit](#): Up to \$40,000 for qualified clean vehicles

Additional credits

Projects that meet additional criteria may be eligible for additional tax credits. See "Bonus incentive credits" on the [IRS website](#) for details. These include [low-income communities](#) and entities that pay [prevailing wages and meet apprenticeship requirements](#).

Credits are stackable

Entities that use tax-exempt grants and forgivable loans to fund clean energy projects can still receive the full value of tax credits. World Resources Institute addresses this topic in their [5 Tips](#) article.

WA Dept. of Commerce will help

Commerce launched a first-in-the-nation program to provide support to help demystify this process. The goal of the [Federal Clean Energy Tax Assistance Program](#) (CETCAP) is to help Washington entities leverage federal clean energy tax credits made available by the Inflation Reduction Act. CETCAP has contracted with Lawyers for Good Government to provide free one-on-one legal assistance to claim these tax incentives.



Resources

The White House

- [Direct pay through Inflation Reduction Act](#)

Internal Revenue Service

- **New:** [Tax-exempt entities & the alt fuel vehicle refueling property credit](#)
- [Guidance on prevailing wage, apprenticeship](#)
- [Clean vehicle & energy credits](#)
- Overview: [Elective pay & transferability](#)
- FAQ: [Elective pay & transferability](#)
- [Pre-filing registration guide](#)
- [Credits & deductions](#)

U.S. Dept. of Treasury

- [Guidance to build out charging infrastructure](#)
- [Tax incentives ensure Americans benefit from clean energy economy](#)
- [Expanding the reach of clean energy tax credits](#)
- [Tax credits can fund school facility upgrades, reduce energy bills](#)

U.S. Dept. of Energy

- [Low-income communities bonus](#)
- [30C tax credit eligibility locator](#)
- [Community mapping tool - tax credit bonus](#)

Lawyers for Good Government

- FAQ: [Elective pay](#)
- [Elective pay & IRA tax incentives resources](#)

Center for American Progress

- [How Cities Can Take Advantage of Direct Pay](#)



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