



## 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 specifically for 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. The World Resources Institute addresses this in [5 Tips for Leveraging Direct Pay Provision to Maximize Clean Energy Investment Benefits](#).

### WA Dept. of Commerce will help

In fall 2024, Commerce will launch a first-in-the-nation program to provide support materials and office hours to help demystify this process. We'll provide details here.

### Learn more

This topic is evolving rapidly. Check these resources for the latest details.



### The White House

- [Direct Pay Through Inflation Reduction Act](#)

### Internal Revenue Service

- [New 6-18-2024: Treasury, IRS release guidance on prevailing wage, apprenticeship](#)
- [Clean Vehicle and Energy Credits](#)
- [Overview of Elective Pay & Transferability](#)
- [Elective Pay & Transferability FAQs](#)
- [Pre-Filing Registration User Guide](#)
- [Credits & deductions](#)
- [IRS email](#) for issues with the pre-filing portal

### U.S. Dept. of Treasury

- [Guidance to Build Out Charging Infrastructure](#)
- [Tax Incentives Ensure All Americans Benefit from Growth of the Clean Energy Economy](#)
- [Guidance on Provisions to Expand Reach of Clean Energy Tax Credits](#)
- [Tax Credits Can Fund School Facilities Upgrades and Reduce School District Energy Bills](#)

### U.S. Dept. of Energy

- [Low-Income Communities Bonus Credit Program - Office of Energy Justice and Equity](#)
- [30C Tax Credit Eligibility Locator](#)
- [Community Mapping Tool - Tax Credit Bonus](#)

### Lawyers for Good Government

- [FAQ Elective Pay](#)
- [Submit Your Question to Legal Experts](#)
- [Elective Pay & IRA Tax Incentives Resources](#)
- [Regulations & Guidance from IRS & Treasury](#)

### Center for American Progress

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



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