

## READOUT: U.S. Treasurer Chief Lynn Malerba Joins Tribal Energy Equity Summit to Discuss Opportunities for Tribal Economic Development in the Inflation Reduction Act

March 19, 2024

TULSA, OK – Today, U.S. Treasurer Chief Lynn Malerba delivered keynote remarks at the Tribal Energy Equity Summit. During her remarks, Chief Malerba highlighted several of the Treasury Department’s Tribal economic development efforts, including the Department’s work with Tribes to ensure they are able to take advantage of opportunities unlocked by President Biden’s Inflation Reduction Act (IRA).

The IRA established a new credit delivery mechanism called elective pay (often referred to as “direct pay”) that enables Tribal governments to take advantage of clean energy tax credits for the first time, allowing projects to be built more quickly and affordably, which will in turn create good-paying jobs and lower energy costs. Until the IRA introduced this new credit delivery mechanism, Tribal governments could not fully benefit from tax credits like those that incentivize clean energy construction. In 2023, Commissioner of the Internal Revenue Service (IRS) Danny Werfel joined the Treasury Tribal Advisory Committee (TTAC) to brief Tribal leaders on elective pay, and the Department held a Tribal Consultation on this IRA provision and its impact on Tribal communities.

On March 5, the Treasury Department and IRS released final rules on key provisions in the IRA to expand the reach of the clean energy tax credits. Along with final rules on elective pay, the Department also issued a separate Notice of Proposed Rulemaking (NPRM) that is intended to provide further clarity and flexibility for applicable entities that co-own clean energy projects and would like to utilize elective pay. On April 5, the Treasury Department will host a Tribal Consultation on elective pay and the NPRM.

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