

# U.S. Department of the Treasury, IRS Announce Application Opening Date and Increased Available Capacity for Second Year of Program to Spur Clean Energy Investments and Lower Energy Costs in Underserved Communities

May 13, 2024

*Program created by President Biden's Inflation Reduction Act provides up to 20-percentage point credit boost for projects in low-income and Tribal communities*

WASHINGTON—Today, the U.S. Department of the Treasury and Internal Revenue Service (IRS) announced that applications will open at **9:00 a.m. ET on May 28, 2024** for the 2024 Program Year of the Low-Income Communities Bonus Credit Program under Section 48(e) of the Internal Revenue Code. All applications submitted within the first 30 days, by 11:59 pm ET on June 27, will be treated as submitted on the same date and at the same time. This ensures that all applicants, regardless of size or resources, have an equal opportunity to participate. Following the initial 30-day period, DOE will continue to accept applications on a rolling basis.

Treasury and the IRS also announced that approximately **325 megawatts of available capacity will rollover to the 2024 program year**. This will add to the annual 1.8 gigawatts of capacity for **a total of over 2.1 gigawatts of capacity available in 2024** to help spur additional investment and advance President Biden's Investing in America Agenda by lowering energy costs for Americans, investing in good-paying clean energy jobs in low-income communities, and supporting small business growth.

To provide information about the application process ahead of the application opening, Treasury and the Department of Energy (DOE) will host a webinar open to the public about the 2024 program year application process on May 16, 2024 at 1:00 p.m. ET. Potential applicants can register for the webinar [here](#). Additional guidance including the 2024 Revenue Procedure, final regulations, and program resources to help applicants prepare their submissions are available on the [DOE program homepage](#).

This groundbreaking provision of President Biden's Inflation Reduction Act provides a 10 or 20-percentage point boost to the investment tax credit for qualified solar or wind facilities in

low-income communities, and is already turbocharging the construction of clean energy facilities in communities across the country, encouraging new market participants, benefiting Americans that have experienced adverse health or environmental effects and lacked economic opportunities, and lowering energy costs and related housing costs for families.

“This groundbreaking incentive to invest in low-income communities created by President Biden’s Inflation Reduction Act is creating jobs and opportunity while lowering energy costs for communities that were long underinvested in,” said **U.S. Deputy Secretary of the Treasury Wally Adeyemo**. “In the program’s first year, we saw sky-high demand for solar and wind investments, and we expect that momentum to continue as President Biden’s economic agenda ensures all Americans benefit from the growth of the clean energy economy.”

“The Low-Income Communities Bonus Credit Program is already boosting access to clean, reliable power in underserved communities, helping lower energy costs for low-income families, and creating good-paying jobs,” said John Podesta, Senior Advisor to the President for International Climate Policy. “The program’s impact will grow even more in its second year thanks to the increased available capacity.”

The Low-Income Communities Bonus Credit Program annually allocates 1.8 gigawatts of capacity available through competitive application across four categories of qualified solar or wind facilities with maximum output of less than five megawatts. According to the final regulations, at least 50% of the capacity limitation in each category or sub-reservation will be made available to facilities that meet additional selection criteria. Including the 324.8 megawatts of available capacity announced today that will rollover, the IRS will allocate the total capacity for the 2024 program year in the following manner:

### Low-Income Communities Bonus Credit Program 2024 Capacity Limitation

| Eligibility Description                                       | Category or Sub-reservation                            | Total 2024 Capacity Available including 2023 Rollover (in megawatts) |
|---|--|--|
| <b>Category 1:</b> Located in a Low-Income Community          | <b>1a:</b> Eligible Residential Behind-the-Meter (BTM) | 250  |
| 800 megawatts to facilities located in low-income communities |  |  |

| Eligibility Description   | Category or Sub-reservation   | Total 2024 Capacity Available including 2023 Rollover (in megawatts) |
|---|---|--|
|   | <b>1b:</b> Eligible Residential Behind-the-Meter (BTM) – <i>Additional Selection Criteria</i>       | 250  |
|   | <b>1c:</b> Other Facilities   | 100  |
|   | <b>1d:</b> Other Facilities – <i>Additional Selection Criteria</i>                                  | 200  |
| <b>Category 2:</b> Located on Indian land<br>200 megawatts to facilities located on Indian lands  | <b>2a:</b> Located on Indian land   | 100  |
|   | <b>2b:</b> Located on Indian land – <i>Additional Selection Criteria</i>                            | 100  |
| <b>Category 3:</b> Qualified Low-Income Residential Building Project<br>224.8 megawatts to facilities that are part of federally-subsidized residential buildings   | <b>3a:</b> Qualified Low-Income Residential Building Project  | 100  |
|   | <b>3b:</b> Qualified Low-Income Residential Building Project – <i>Additional Selection Criteria</i> | 124.8  |
| <b>Category 4:</b> Low-Income Economic Benefit Project<br>900 megawatts to facilities where at least 50 percent of the financial benefits of the electricity produced go to households with incomes below 200 percent of the poverty line or below 80 percent of area median gross income | <b>4a:</b> Low-Income Economic Benefit Project  | 400  |
|   | <b>4b:</b> Low-Income Economic Benefit Project – <i>Additional Selection Criteria</i>               | 500  |
| <b>TOTAL</b>  |   | <b>2124.8</b>  |