Federal & Massachusetts CLEAN ENERGY INCENTIVES

FOR THE HOME

The federal incentives for clean energy (particularly for electrification), through the Inflation Reduction Act (IRA), coupled with incentives available in Massachusetts, make going green more affordable than ever.

Inflation Reduction Act Clean Energy Tax Credits

- 30% for solar panels (PV), solar water heaters (HW), battery storage, geothermal

Inflation Reduction Act Energy Efficiency Tax Credits

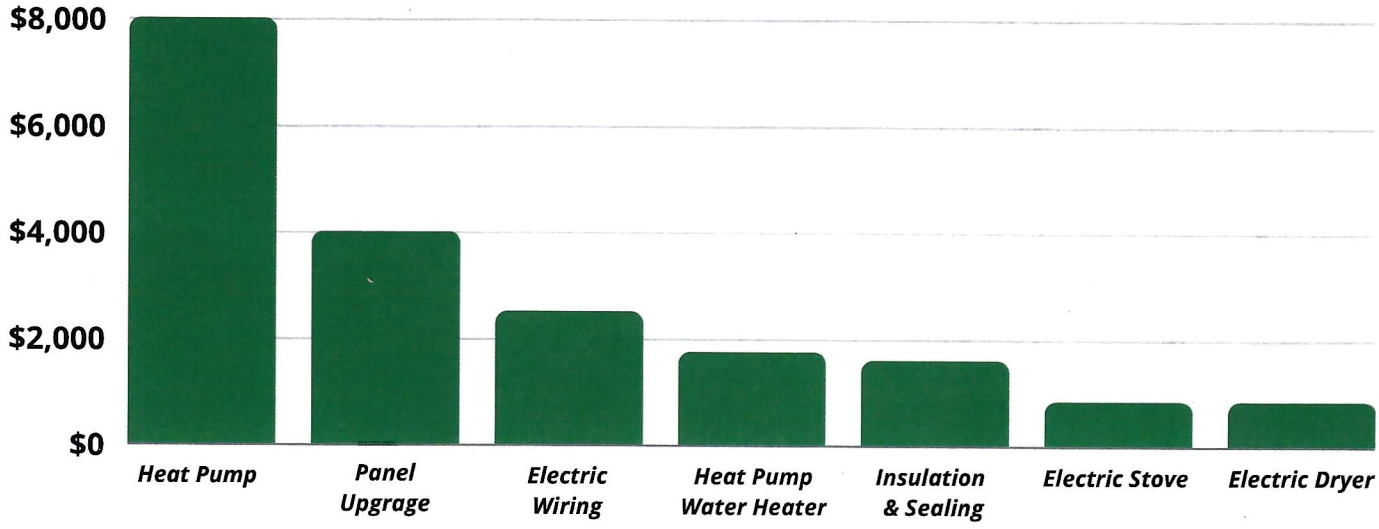
- 30% up to $2000/year for heat pumps & heat pump water heaters
- 30% up to $600/year for windows and panel upgrades (if coupled with heat pumps or heat pump water heaters
- 30% up to $1200 for insulation
- May be received every year for qualifying measures

Inflation Reduction Act Energy Efficiency Rebates

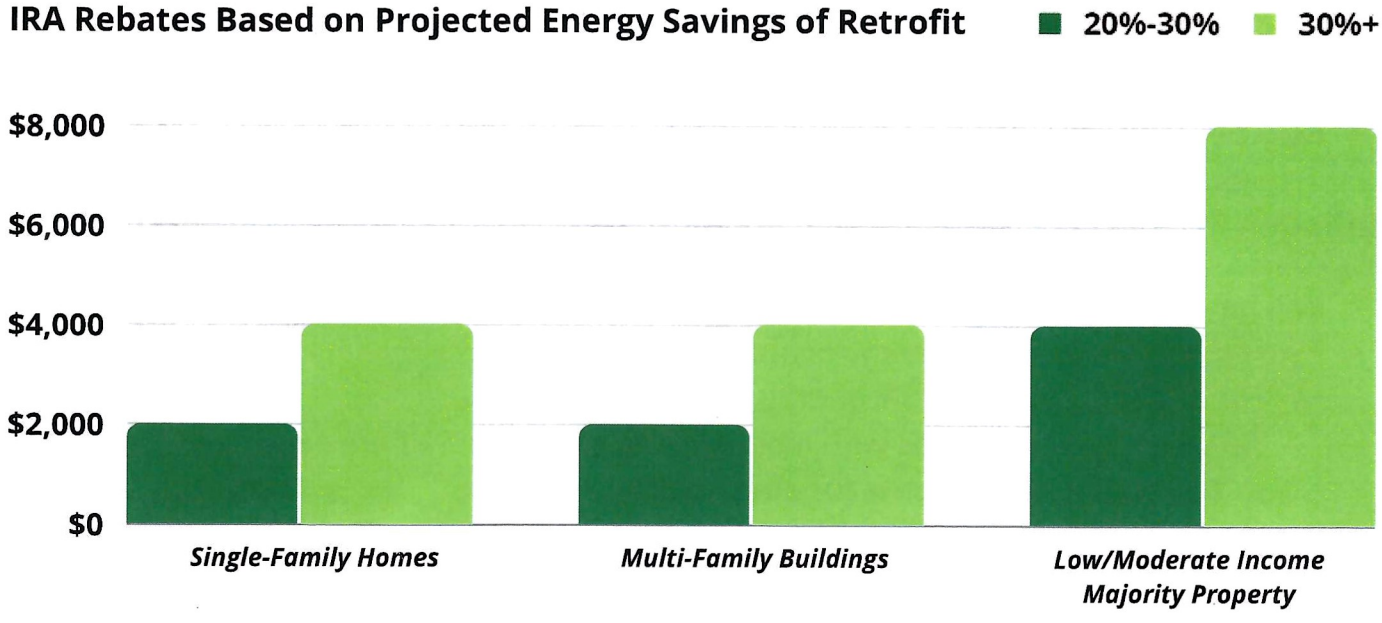
- Will be administered by the Massachusetts Department Of Energy Resources
- Two types of energy efficiency rebates:
  - For projects saving > 15% energy, up to $8000
  - Targeted to households with incomes less than 150% of area median income, up to $14,000 for low-income for electrification
- Tax credits and rebates may be stacked together
- For more information, see the Rewiring America calculator

IRA Income-Qualified Rebates (cannot be combined with other programs)

Less than 80% AMI - up to 100% of cost / Less than 150% AMI - up to 50% of cost



IRA Rebates Based on Projected Energy Savings of Retrofit



Rebates from Mass Save

- Whole Home Rebate for Heat Pumps
  - $10,000
  - Must be sized properly for 100% of home's need
  - Legacy system can stay as backup
- Partial Home Rebates for Heat Pumps
  - $1250 per ton (12,000 BTu) for roughly 500 sf
  - Integrated controls may be required
  - 75-100% for insulation
- HEAT Loan program, zero-interest rate loan
- Batteries may earn money from Connected Solutions program
- Learn more at masssave.com/inflation-reduction-act

FOR ELECTRIC CARS

Federal Clean Vehicle Credit

- Valid through 2032. Starting in 2024, consumers can take tax credit at point of sale
- For new electric cars: Up to $7,500 for qualifying vehicles.
  - Household income must be less than $300,000 for joint filers and less than $150,000 for individual filers
  - MSRP must be under a certain limit: $55,000 for sedans and hatchbacks, $80,000 for SUVs, pickup trucks, and vans
  - Vehicle must meet complicated battery component and mineral requirements
  - The final assembly location of the vehicle must be in North America
  - If you lease, clean vehicle credit goes to the dealership
- For used electric cars: Up to $4,000 or 30% of sales price, whichever is lower.
  - Household income must be less than $150,000 for joint filers and less than $75,000 for individual filers
  - Vehicle price must be under $25,000 and at least two model years old
  - No battery, mineral, or assembly location requirements for used cars
  - Must buy from a dealership
  - Clean vehicle credit only applies at first resale

Massachusetts MOR-EV State Rebate

Current MOR-EV rebate and requirements:

- No income requirements
- Final sales price limit: Must be under $55,000 for battery-electric vehicle and under $50,000 for plug-in hybrids with at least 25 miles of electric range
- Purchase or 36-month lease from a Massachusetts dealership or retail store
- Apply online at www.mor-ev.org within three months of purchase or lease

Upcoming changes:

- Rebates for plug-in hybrids will phase out in spring 2023
- Rebates for used electric vehicles should become available soon
- Additional rebates will become available for low-income drivers and drivers trading in gasoline-powered cars
- The rebate should become available at the point of sale

To see what federal tax credit and state rebate your favorite vehicle qualifies for, visit our website: greenenergyconsumers.org/drivegreen/explore

Incentives for Home Charging Installation

Federal

- Federal tax credit of 30% up to $1,000 for home charging infrastructure installation
- Only available in census tracts that meet certain requirements

State

- Check with your electric utility for charging incentives
- National Grid and Eversource offer infrastructure, hardware, and installation support for residential customers to varying degrees in various segments
- If you live in a community with a municipal utility, check if your electric utility has programs to support charging installation