



MEMORANDUM

To: GuidePost Clients
From: GuidePost Strategies
RE: Treasury Department Climate and Clean Energy Notices
Date: October 7, 2022

OVERVIEW

On Thursday, October 6, the **Treasury Department** held a briefing on the process they will follow in formulating guidance and rules to implement the climate and clean energy tax provisions of the Inflation Reduction Act (IRA). The briefing featured **Tom West, Deputy Assistant Secretary for Domestic Business Tax in the Office of Tax Policy**.

Treasury's first set of notices, which the Department will use to collect public input from stakeholders, experts, and the public on key climate and energy tax provisions of the IRA, is available [here](#).

DISCUSSION SUMMARY

- West clarified that Treasury and the IRS are soliciting public comment from all stakeholders and interested parties - not just the usual participants in the process.
- The final regulations must be informed by public comments and set clear expectations for taxpayers. The IRS and Treasury are working quickly to deliver clear and transparent information on the guidelines being put forth. West also emphasized that the regulations put forth will be implemented “exactly in the spirit that Congress intended.
- West outlined the subjects of the notices to which stakeholders can respond:
 - *Clean Energy Generation Incentives:*
 - Renewable Electricity Production Credit;
 - Energy Investment Credit;
 - Zero-Emission Nuclear Power Production Credit
 - Clean Electricity Production Credit
 - Clean Electricity Investment Credit
 - Low Income Community Adder to the Investment Tax Credit
 - *Credit Enhancements:*
 - Prevailing Wage Requirement
 - Apprenticeship Requirements
 - Domestic Content Requirement
 - Energy Community Requirement (increasing the value of multiple credits)
 - *Incentives for Homes and Buildings:*
 - Energy Efficient Home Improvement Credit
 - Residential Clean Energy Credit

- New Energy Efficient Home Credit
 - Energy Efficient Commercial Buildings Deduction
 - *Manufacturing Credits:*
 - Advanced Manufacturing Production Credit
 - Qualifying Advanced Energy Project Credit
 - *Credit Monetization:*
 - Elective Payment of Applicable Credits
 - Transfer of Certain Credits
- Public comments will be incorporated into Treasury regulations, subregulatory guidance, IRS forms and publication as well as notices/news releases.
- In terms of the timeline for the regulatory implementation process, the agencies cannot say exactly, but the typical process takes 18-36 months until the final regulation is implemented.