



THE WHITE HOUSE  
WASHINGTON

# Investing In America

## The Inflation Reduction Act

November 2024

# What the Inflation Reduction Act Is

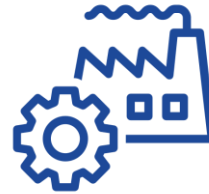
Economy-wide clean energy and climate investments delivered through a combination of tax incentives, grant programs, and loan guarantees.



***Clean Energy  
Deployment***



***Conservation  
and Resilience***



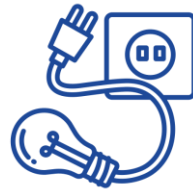
***Manufacturing  
and Industrial  
Decarbonization***



***Climate-Smart  
Agriculture***



***Pollution Reduction  
and Environmental  
Justice***



***Clean, Energy  
Efficient Buildings***



***Electric Vehicles  
and Clean Fuels***



***And much,  
much more***

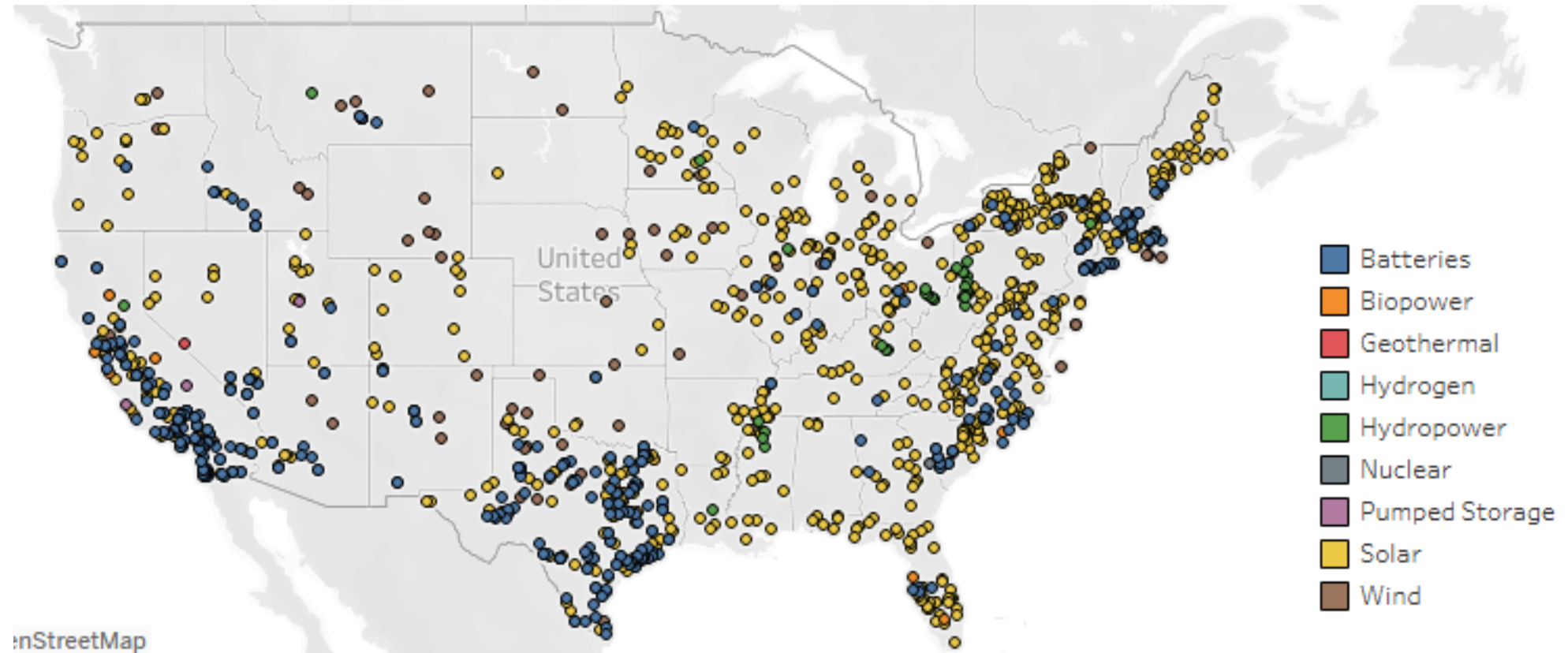


# Tackling the Climate Crisis With a Government-Enabled, Private Sector-Led Approach

- **In order to reach our global climate goals, we need trillions for clean energy deployment every single year.** Governments can only provide a fraction of that—we need the private sector's ability to invest and scale.
- **Two-thirds of the Inflation Reduction Act's investments flow through the tax code instead of direct government spending.** It establishes ten years of clean energy tax credits, providing unprecedented policy certainty and significant incentives for private companies to make bigger investments in clean energy, faster.
- **This legislation has already sparked a clean energy revolution.** Since the IRA passed, the private sector has announced more than \$450 billion in new clean energy investments.
- President Biden's Inflation Reduction Act and Bipartisan Infrastructure Law **put America on a path to reach our climate goal** of cutting our carbon pollution by 50-52 percent below 2005 levels by 2030.



# Clean Energy Projects Underway



# Federal Implementation is Moving Fast

As of November 15, 2024:

- There has been a **total of \$99.8 billion awarded/announced** -- 84.1% of available IRA funding (through FY25).
- There is a **total of \$15.25 billion in pending notices of funding (available for application) or under review** for award at federal agencies.
- Tax guidance is available on **21 of 24** clean energy tax provisions, with more guidance to come before the end of the year.



# Federal Implementation is Moving Fast

IRA tax guidance status as of November 2024:

KEY

§ Ext. or Modified Credit § New Credit

## Clean Energy Generation Incentives

- 45** Renewable Energy Production Credit *Guidance exists*
- 48** Energy Investment Credit *Guidance issued*
- 45U** Zero-Emission Nuclear Power Production Credit
- 45Y** Clean Electricity Production Credit *Guidance issued*
- 48E** Clean Electricity Investment Credit *Guidance issued*
- 45V** Clean Hydrogen Production Tax Credit *Guidance issued*
- 45Q** Carbon Capture Credit *Guidance exists*

## Manufacturing Credits

- 48C** Extension of The Advanced Energy Project Credit *Guidance issued*
- 45X** Advanced Manufacturing Production Credit *Guidance issued*

## Homes & Buildings Incentives

- 25C** Ext. & Mod. Non-business Energy Property Credit *Guidance issued*
- 25D** Residential Clean Energy Credit *Guidance issued*
- 179D** Energy Efficient Commercial Buildings Deduction
- 45L** Ext., Inc., and Mod. of New Energy Efficient Home Credit *Guidance issued*

## Clean Vehicles Credits

- 30D** Clean Vehicle Credit *Guidance issued*
- 25E** Previously Owned Clean Vehicle Credit *Guidance issued*
- 45W** Qualified Commercial Clean Vehicles *Guidance issued*
- 30C** Alternative Fuel Refueling Property Credit *Guidance issued*

## Clean Fuels Production Credits

- 45Z** Clean Fuel Production Credit *Effective 2025*
- 40B** Sustainable Aviation Fuel *Guidance issued*

## Credit Enhancements

- 45(b)** Prevailing Wage & Apprenticeship Requirement *Guidance issued*
- 45(b)** Domestic Content Requirement *Guidance issued*
- 45(b)** Energy Communities Requirement *Guidance issued*
- 48(e)** LMI Adder *Guidance issued*

## Credit Monetization

- 6417** Elective Pay of Applicable Credits *Guidance issued*
- 6418** Transfer of Certain Credits *Guidance issued*





# Historic Manufacturing Investments

- Nearly **\$900 billion in announced manufacturing and clean energy investments** under Biden Administration.
- Real **manufacturing construction spending doubled** since CHIPS and IRA were signed, far outpacing other advanced economies.
- American manufacturing investments are making their **largest contribution to GDP growth in 40+ years.**
- US share of global **battery manufacturing capacity projected to almost double** by 2030 — enough capacity to meet entire domestic demand for EV batteries.
- Solar panel manufacturing capacity **has more than tripled since the IRA passed.**



# INFLATION-ADJUSTED PRIVATE MANUFACTURING CONSTRUCTION SPENDING



Source: Census; BEA; BLS; CEA calculations.

Note: Deflated using the PPI Final Demand Construction for Private Capital Investment (post-2009), the Census implicit price deflator for Private Industrial construction (pre-2003), and an interpolation of BEA's implicit price deflator for private fixed investment in manufacturing structures (2003-2008).

As of August 1, 2024 at 10:00 am.







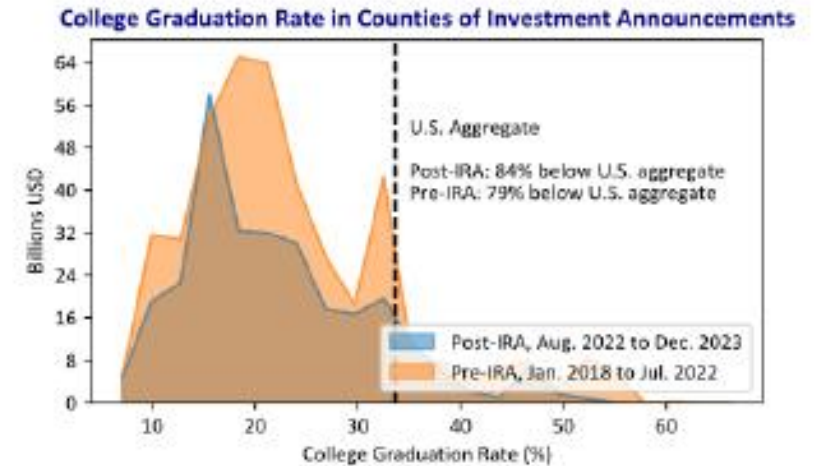
# Consumers Save as Clean Energy Tech Takes Off

- In 2023, **more than 3.4 million American families benefitted from \$8.4 billion in tax credits** to lower the costs of clean energy and energy efficiency upgrades to their homes.
- The Inflation Reduction Act's enhanced tax credits can save American families **up to 30% off** home energy technologies.
- Utility bills decreased an average of **\$500 per year** by lowering energy-saving home improvement costs with up front tax credits up to **\$3,200** and direct consumer rebates up to **\$14,000**.
- Around **90% of qualifying electric vehicle buyers have opted to claim their \$7,500 federal tax credit** as an instant rebate at the dealership this year.
- More than **\$1.5 billion saved upfront** for new and used EV purchases since January 2024.

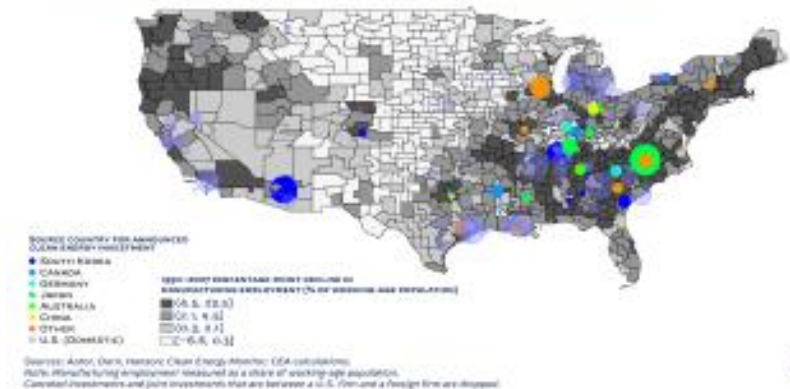


# Impact Legacy: Revitalizing Overlooked Communities, Creating Good Jobs

- **Nearly 16 million jobs** were added, including nearly **800,000** manufacturing and nearly **900,000** construction jobs.
- **99% of high-poverty counties in the U.S. are benefitting from an Investing in America project** (BIL, CHIPS, or IRA grant program). High poverty counties are receiving 58% more Investing in America federal funding per capita than other counties.
- More than **80% of IRA-related private sector investments are in areas with below-average college graduation rates**; 81% of clean energy investments announced since IRA was signed are in places with below-average weekly wages; 78% in counties with below-average household incomes.
- According to the Brookings Institution, **economically distressed areas are poised to benefit from the surge in private sector investments** in industries of the future; catalyzed by the Investing in America agenda.



**HISTORICAL DECLINE IN MANUFACTURING EMPLOYMENT BETWEEN 1990-2007 & CLEAN ENERGY MANUFACTURING ANNOUNCED INVESTMENTS BETWEEN 2021-2023**





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