

Inflation Reduction Act 101

Benefits for Alaskans

The Inflation Reduction Act (IRA) is a piece of Federal legislation that includes billions of dollars intended to promote widespread, accelerated investment in clean energy, improve access to clean energy technologies and lower energy costs.

Many of the benefits for individual households are in the form of tax credits or rebates. Tax credits reduce what you owe in taxes. Rebates are a partial refund for qualifying purchases.

Learn more at sitkawild.org/energy



IRA TAX CREDITS

Available Now!

IRA tax credits may be claimed by filling out the appropriate IRS form when filing taxes and are **available to all households**, regardless of income.

Energy Efficient Home Improvement Tax Credit | **IRS Form 5695**

30% of qualified expenses, up to \$3,200 per year, no lifetime limit:

- \$1,200/year for covered energy products and energy efficiency upgrades. Specific caps on doors (\$250/door, \$500 total), windows (\$600), energy audits (\$150) and electric panel upgrades (\$600).
- \$2,000/year for qualified heat pumps, biomass stoves & biomass boilers.

Clean Vehicle Tax Credit | **IRS Form 8936**

\$7,500 for a new EV. 30% credit up to \$4,000 for a used EV. 30% credit up to \$1,000 for an EV charger. Eligibility depends on modified adjusted gross income, filing status, and vehicle type.

Residential Clean Energy Tax Credit | **IRS Form 5695**

30% of certain energy purchases including solar electric panels, solar water heaters, battery storage, and more.





ENERGY RESOURCES

Coming 2024!

IRA HOMES Program | Rebates are available for whole-house energy-saving retrofits that reduce energy use by at least 15%. Rebates range from \$2,000 to \$8,000 per home and will vary depending on the energy savings level, project cost, and type of home.

Available Now!

Alaska Heat Smart | A Juneau-based nonprofit that provides free home heating assessments, evaluates contractor and financing options, and provides heat pump incentives of \$1,000-2,500 for eligible households

Funds Limited

Local Carbon Reduction Funds | Sitka Carbon Offset Fund and Juneau Carbon Offset Fund pool donations from residents and visitors to fund heat pump conversions for low to mid income households.

Home Energy Improvement Loans | Financial institutions, including Tongass Federal Credit Union and True North Federal Credit Union, offer heat pump loans and home improvement loans for weatherization, energy efficiency upgrades, and heat pumps.



AREA MEDIAN INCOME

Sample AMI tables are provided here for reference. If your household income is at or below the value listed for the number of people in your household, you may qualify for IRA rebates. Always verify with government sources.

Sitka Household Income Limits*

# People	1	2	3	4	5	6	7	8
80% AMI	\$60,600	\$69,250	\$77,900	\$86,550	\$93,500	\$100,400	\$107,350	\$114,250
150% AMI	\$113,700	\$129,900	\$146,100	\$162,300	\$175,350	\$188,400	\$201,300	\$214,350

Yakutat Income Limits*

# People	1	2	3	4	5	6	7	8
80% AMI	\$52,650	\$60,200	\$67,700	\$75,200	\$81,250	\$87,250	\$93,250	\$99,300
150% AMI	\$98,700	\$112,800	\$126,900	\$141,000	\$152,400	\$163,650	\$174,900	\$186,150

*Approximate values only. Calculated using FY2022 Housing & Urban Development Income Data.



IRA REBATES

Coming 2024!

IRA Rebates will be administered by the State of Alaska and are expected to be available in early 2024. Most IRA rebates are designed for households under 150% of the area median income (AMI). [It is unknown how competitive it will be for households to access rebates.](#)

Rebate Value (% of cost)	Households < 80% AMI	Households < 150% AMI
Weatherization Insulation, Air Sealing, Ventilation	100% up to \$1,600	50% up to \$1,600
HVAC Heat Pumps	100% up to \$8,000	50% up to \$8,000
Water Heater Heat Pump	100% up to \$1,750	50% up to \$1,750
Electric Panel	100% up to \$4,000	50% up to \$4,000
Electric/Induction Stove	100% up to \$840	50% up to \$840
Electric Wiring	100% up to \$2,500	50% up to \$2,500
Heat Pump Clothes Dryer	100% up to \$840	50% up to \$840

