

**MAINE
WON'T
WAIT**

Mainers' Guide to Climate Incentives



CLIMATE INCENTIVES FOR MAINERS

The Inflation Reduction Act (IRA) invests over \$350 billion to help fight the causes and impacts of climate change. Tax credits, rebates, and other incentives directly help individuals and businesses transition to cleaner technologies, from electric cars to heat pumps to rooftop solar panels.

Maine people are also eligible for many cost-saving rebates from Efficiency Maine. This booklet summarizes current incentives and tax credits available to Mainers through federal and state programs. Programs may change, so please check for updated information before making any purchasing decisions. Sign up for our email list at mainewontwait.org to receive updates as new information becomes available.



Mainers' Guide to Climate Incentives • April 2023 • www.mainewontwait.org

TIPS TO GET STARTED

- | CHECK | NOTES |
|--|-------|
| <p>1. Identify the right investment for you</p> <p>Want to heat and cool your home or business more efficiently? Try a heat pump.</p> <p>Know you have a drafty building? Add insulation or replace leaky windows!</p> <p>Log a lot of miles on the road? Invest in an EV.</p> | |
| <p>2. Get estimates from qualified installers</p> <p>See Efficiency Maine's list of Registered Vendors at www.efficiencymaine.com/at-home/vendor-locator/.</p> <p>Or for businesses: www.efficiencymaine.com/at-work/qualified-partners/.</p> | |
| <p>Or, choose an electric vehicle</p> <p>Test drive at local dealers.</p> <p>Check the list of new EVs eligible for the federal tax credit.</p> <p>Make sure you pre-qualify for vehicle rebates based on your income.</p> <p>Check the list of new EVs eligible for instant rebates from Efficiency Maine.</p> | |
| <p>3. After purchase, claim your rebates and/or tax credits</p> <p>Get your total cost reduced by any available point-of-sale rebates.</p> <p>Save your receipts. Complete, sign, and mail in forms as required for other rebates. See www.efficiencymaine.com.</p> <p>File required forms at tax time to reduce your overall tax bill.</p> | |
| <p>4. Enjoy your upgrades!</p> <p>Share your experiences with friends and / or customers.</p> <p>And it's never too early to ponder your next climate investment...</p> | |

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FAQs

Can I get money for climate-friendly upgrades?

Yes. Two kinds of financial help are available to Mainers:

1. The Federal government offers **tax credits** for investments in energy efficiency and clean energy. The details of some programs are still being worked out, especially for businesses, so check back for updates.

2. Maine, through Efficiency Maine, offers **rebates** and other incentives when you make energy efficient upgrades to your home or company's spaces, equipment, vehicles, and more.

Can I stack different incentives?

Generally, yes. It is permitted to claim as many of these rebates and tax credits as you qualify for in the same year, up to any yearly caps for each project or category for federal tax credits, or other restrictions from Efficiency Maine.

However, guidance and rules are still emerging, so please check for updated information before making purchasing decisions.

How do I claim my tax credits?

For your **home** heat pumps, weatherization, rooftop solar, geothermal, battery storage, and/or electrical panel upgrade, file form 5695 with your tax return.

For eligible battery **electric vehicles (BEV)** and plug-in hybrid electric vehicles (PHEV) in 2023, file form 8936 with your tax return. Starting January 1, 2024, EV tax credits will be applied by participating dealerships at the point of sale with no extra step.

For home EV chargers in eligible rural or low-income areas, file form 8911.

For **businesses**, some details of these programs are still being finalized. Check for updates on electric vehicles and energy efficiency upgrades.

How do I claim an Efficiency Maine Incentive?

To claim rebates through Efficiency Maine, find details at www.efficiencymaine.com, or call their toll-free help line at 866-376-2463.

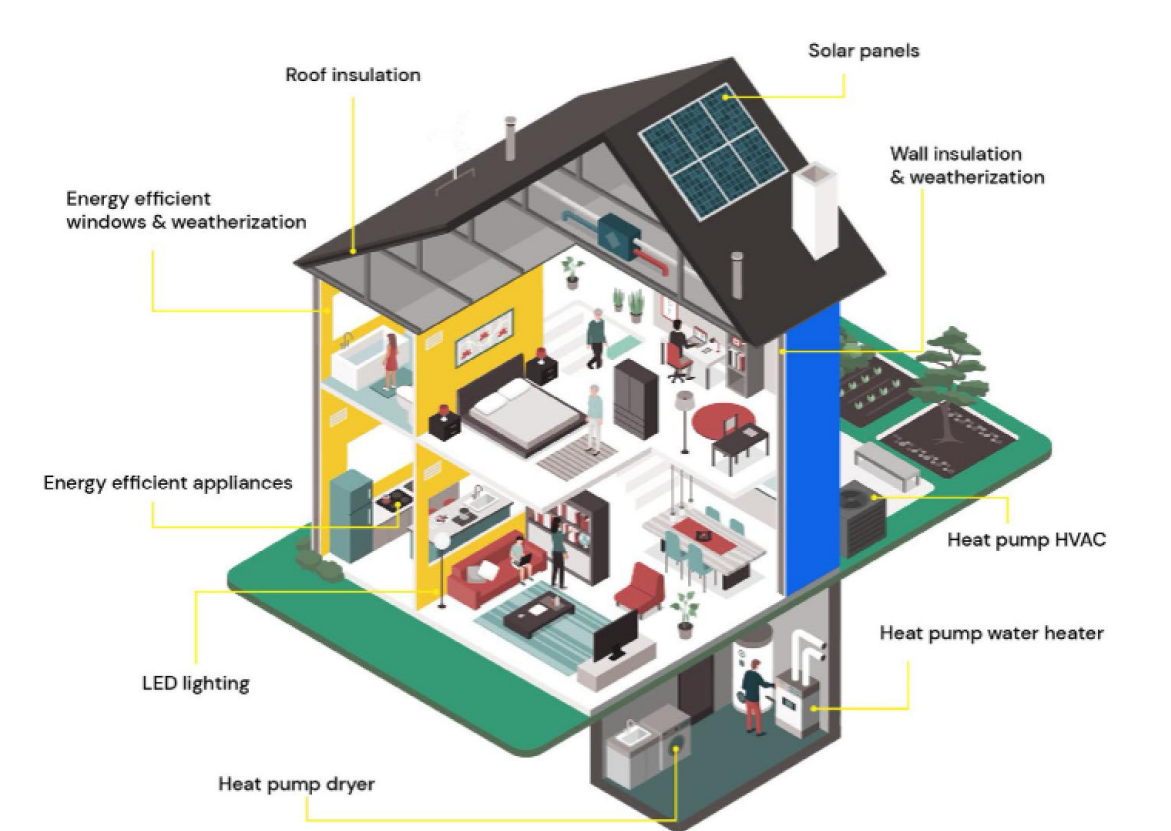
What's the difference between a rebate and a tax credit?

What is it?	Am I eligible for it?	When do I get it?	How do I get it?
A rebate is money provided to you to help you pay for something. It may be a check in the mail after you submit your receipt of purchase, or it may be a point-of-sale rebate, knocking money off the price when you buy it.	Efficiency Maine offers rebates for residents, businesses, and other entities located in Maine. See www.efficiencymaine.com for more info on each of their programs.	At point-of-sale	Vendor reduces the price you pay
A tax credit offsets money you may owe when you file your annual federal tax return. Most clean energy and energy efficiency tax credits are non-refundable, which means that you cannot receive more than you owe in federal income taxes in a given year.	Tax credits are available to anybody who files federal taxes.	• At tax time • Or at the time of purchase (for EVs only)	• Get a check in the mail after purchase • Mail in your receipt & required paperwork • File the appropriate form with your tax return • Some tax credits are also available to tax-exempt entities under IRS provision called "elective pay"

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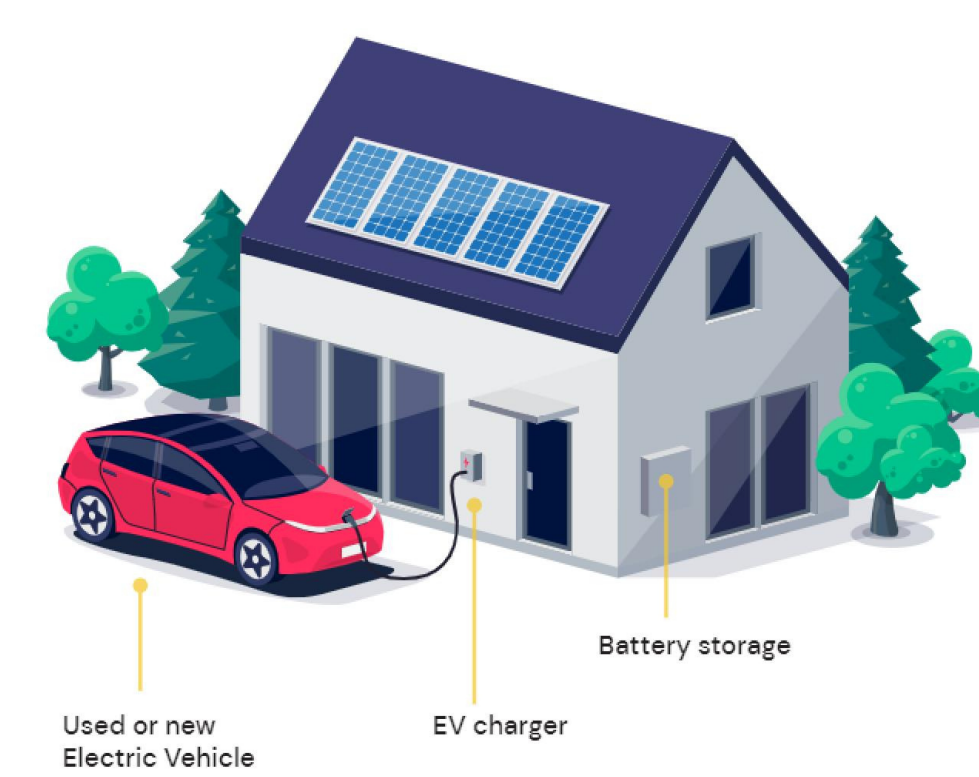
CLIMATE INCENTIVES FOR YOUR HOME

Financial support is available to help you heat, cool, insulate, and power your home, and switch to energy efficient appliances. You can often cut carbon while saving money on bills and being more comfortable at the same time.



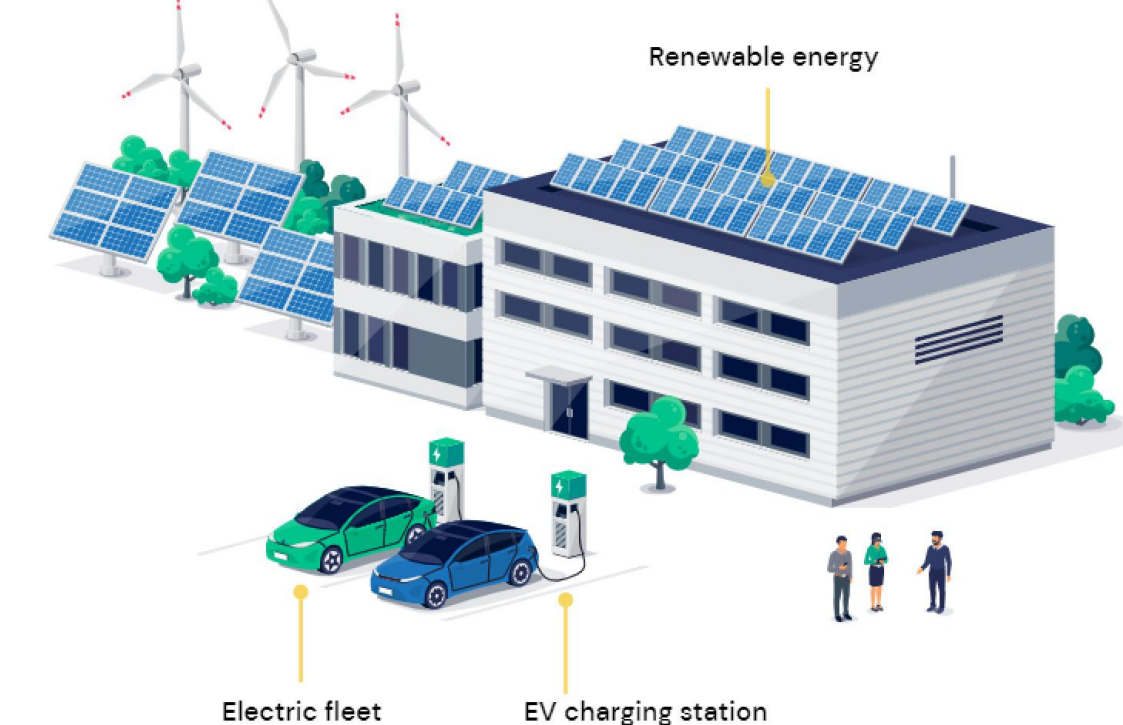
CLIMATE INCENTIVES FOR YOUR VEHICLE

49% of Maine's fossil fuel emissions come from transportation. Federal and state incentives can help you buy an electric vehicle (EV), so you can save money on fuel and maintenance, get an enjoyable ride, and fight climate change.



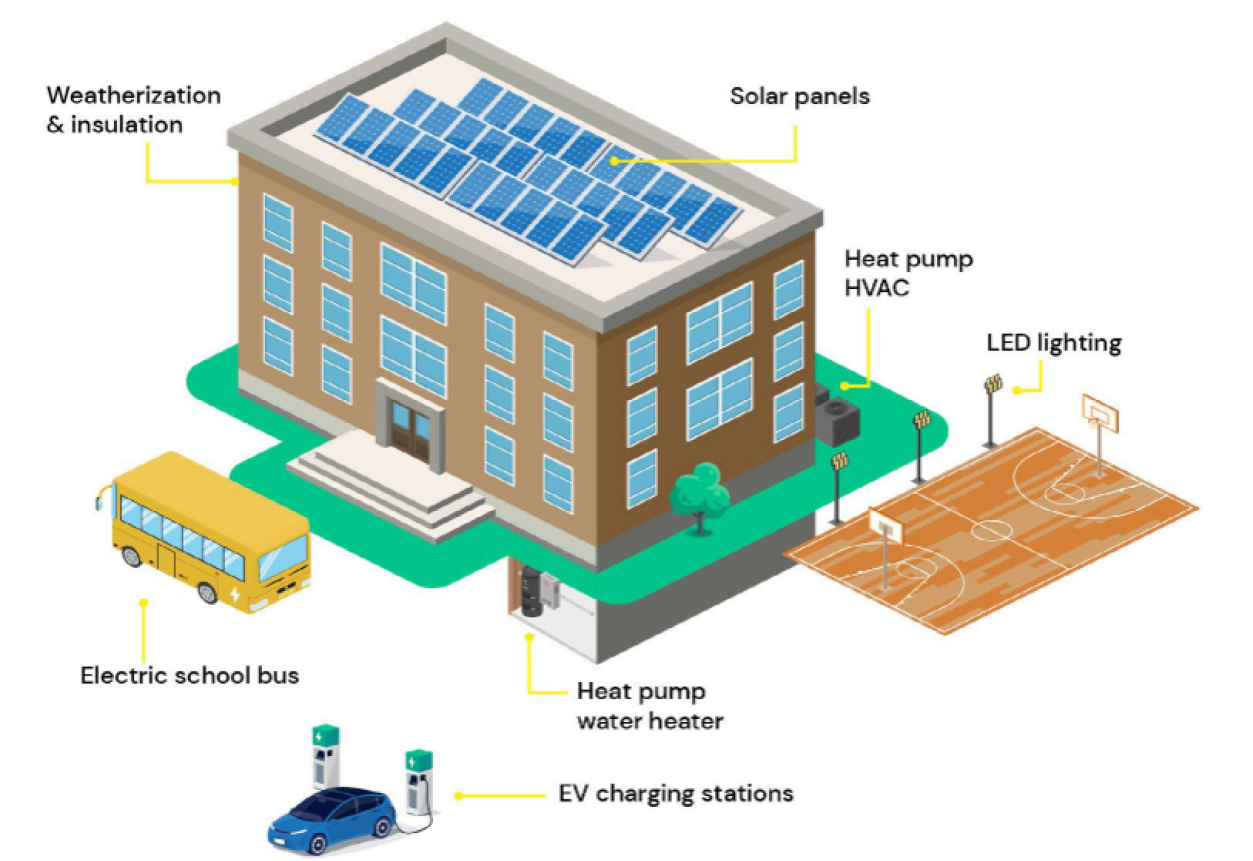
CLIMATE INCENTIVES FOR YOUR BUSINESS

Making your business more climate-friendly doesn't have to be complicated. Smart investments can save you money while also creating a cleaner future for Maine.



CLIMATE INCENTIVES FOR MUNICIPALITIES & SCHOOLS

Federal and state incentives can help towns and school systems invest in clean and efficient energy upgrades for buildings, fleets, and more. Tax-exempt entities are now eligible to claim some federal tax credits thanks to new IRS rules on "elective pay."



AVAILABLE INCENTIVES

Heat Pumps

Federal Tax Credits

IRA tax credit 25C provides:

- 30% of your total project cost up to \$2,000 for qualified heat pumps, heat pump water heaters, and other space and water heating technologies.

More information is available on the IRS website. File form 5695 with your taxes.

Maine Incentives

Efficiency Maine has programs to help with HVAC, weatherization, water heating, and more. Enhanced rebates for income eligible households. Visit Efficiency Maine's website contact (866) 376-2463, or email info@efficiencymaine.com.

Weatherization Upgrades

Federal Tax Credits

IRA tax credit 25C provides:

- 30% of your total cost, up to \$1,200, for weatherization and building performance projects such as:
- insulation and air sealing
- door upgrades
- window upgrades
- energy audits

More information is available on the IRS website. File form 5695 with your taxes.

Rooftop Solar, Geothermal & Battery Storage

Federal Tax Credits

IRA tax credit 25D provides:

- 30% of all costs for rooftop solar, or investment in community solar
- 30% of all costs for geothermal heating
- 30% of all costs for battery storage

There is no cap on these projects. File form 5695 with your taxes.

Maine Incentives

Efficiency Maine rebates:

- \$3,000 for qualifying home geothermal systems
- \$100 per enrolled kilowatt (kW) for EMT Batteries

Electrical Panel Upgrade

Federal Tax Credits

IRA tax credits 25C and 25D both provide for electrical panel upgrades in conjunction with a heat pump or a solar installation:

- 30% tax credit up to \$600 per year in conjunction with a heat pump
- 30% tax credit uncapped, in conjunction with rooftop solar

If both tax credits are applicable to your upgrades, choose the one that saves you the most money. File form 5695 with your taxes.

AVAILABLE INCENTIVES

New EV

Federal Tax Credits

IRA tax credit 30D provides:

- up to \$7,500 for eligible battery (BEV) and plug-in hybrid electric vehicles (PHEV)

To be eligible, new EVs must have a:

- list price of less than \$80,000 for vans, SUVs, and pickup trucks
- list price less than \$55,000 for all other vehicles
- certain percentage of vehicle materials and assembly made in America

Check [updated lists of eligible new EVs](#). File form 8936 with your taxes.

Maine Incentives

Efficiency Maine rebates:

- \$500 – \$7,500, depending on income, for qualifying new battery electric vehicles (BEVs) or plug-in hybrid electric vehicles (PHEVs).

Note: Customers seeking enhanced rebates based on income must be pre-qualified before purchase.

Used EV

Federal Tax Credits

IRA tax credit 25E provides:

- 30% of the cost of a used battery (BEV) or plug-in hybrid electric vehicle (PHEV), up to \$4,000

Used EV eligibility:

- price of \$25,000 or less

See the current [list of eligible used EVs](#). File form 8936 with your taxes.

Maine Incentives

Efficiency Maine rebates:

- \$2,500 for low-income buyers

Home EV Chargers

Federal Tax Credits

IRA tax credit 30C provides:

- up to \$1,000 for home EV chargers in eligible low-income/non-urban communities. This program is still in development.

Consult the [IRS website](#) for updates. File form 8911 with your taxes.

Maine Incentives

Efficiency Maine rebates, up to 10 allowed every 12 months:

- \$2,000 for a new battery EV
- \$1,000 for a new plug-in hybrid EV

AVAILABLE INCENTIVES

Electric Vehicles

Federal Tax Credits

IRA tax credit 30W (Commercial Clean Vehicle Tax Credit) provides:

- up to \$7,500 for commercial EVs under 14,000 pounds
- up to \$40,000 for commercial EVs over 14,000 pounds (e.g. electric trucks)

This program is still in development. Please consult the [IRS website](#) for updates.

Maine Incentives

Efficiency Maine has programs for businesses of all sizes, including commercial, industrial, multifamily, institutions, and more. Programs include lighting, HVAC, water heating, and customizable incentives. Visit Efficiency Maine's website contact (866) 376-2463, or email info@efficiencymaine.com.

Energy Efficiency

Federal Tax Credits

IRA tax credit 179D (Commercial Buildings Energy Tax Credit) provides:

- \$0.50–\$5 per sq. ft. for energy efficiency projects, with higher amounts available to projects that meet certain labor requirements

See more at the [IRS website](#).

Maine Incentives

Efficiency Maine has programs for businesses of all sizes, including commercial, industrial, multifamily, institutions, and more. Programs include lighting, HVAC, water heating, and customizable incentives. Visit Efficiency Maine's website contact (866) 376-2463, or email info@efficiencymaine.com.

Rooftop Solar

Federal Tax Credits

Solar tax credits for businesses, including the Investment Tax Credit (ITC) and Production Tax Credit (PTC), have been expanded by the Inflation Reduction Act:

- 30% of all costs for rooftop solar

See [more information](#) from the US Dept. of Energy.

Maine Incentives

Efficiency Maine has several programs for public and commercial EV charging. See Efficiency Maine's website for details.

EV Chargers

Federal Tax Credits

IRA tax credit 30C offers:

- 30% of costs for EV chargers up to \$100,000, in eligible low-income/non-urban communities

Maine Incentives

Efficiency Maine has several programs for public and commercial EV charging. See Efficiency Maine's website for details.

AVAILABLE INCENTIVES

Electric Vehicles

Federal Incentives

30W Commercial Clean Vehicle Tax Credit:

- up to \$7,500 for commercial EVs under 14,000 pounds
- up to \$40,000 for commercial EVs over 14,000 pounds (e.g. electric buses)

For guidance see www.irs.gov/credits-deductions/commercial-clean-vehicle-credit.

Maine Incentives

Efficiency Maine rebates, up to 10 allowed in each 12 month period:

- \$7,500 for a new battery EV
- \$2,000 for a new plug-in hybrid EV
- \$350 for level 2 EV charger

EVChargers

Federal Tax Credits

IRS tax credit 30C offers:

- 30% of costs for EV chargers up to \$100,000, in eligible low-income/non-urban communities

Maine Incentives

Efficiency Maine has several programs for public and commercial EV charging.

See more information at www.efficiencymaine.com/solar/federal-acc-credits-credits-build-nesses

Visit www.efficiencymaine.com/at-work/electric-vehicles-and-charging-infosol.

Solar

Federal Incentives

Solar tax credits have been expanded by the Inflation Reduction Act, and include tax-exempt entities:

- 30% of all costs for rooftop solar

See more information at www.efficiencymaine.com/solar/federal-acc-credits-credits-build-nesses

Visit www.efficiencymaine.com/solar/federal-acc-credits-credits-build-nesses.

See examples of municipal projects at www.efficiencymaine.com/docs/municipal-businesses-information-sheet-2022_06_25.pdf

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