

Part III

Administrative, Procedural, and Miscellaneous

26 CFR 601.201: Rulings and determination letters.

Rev. Proc. 2025-11

SECTION 1. PURPOSE

This revenue procedure provides the process under § 48E(h) of the Internal Revenue Code (Code)¹ to apply for an allocation of capacity limitation (Capacity Limitation) as part of the Clean Electricity Low-income Communities Bonus Credit Amount Program (Program) for 2025 and subsequent years. Receipt of an allocation increases the amount of the clean electricity investment credit determined under § 48E(a) (§ 48E credit) for the taxable year in which the applicable facility, with which the allocation of Capacity Limitation is associated, is placed in service. This revenue procedure provides guidance regarding the application process, including application review, documentation requirements, and placed in service reporting requirements.

¹ Unless otherwise specified, all “section” or “§” references are to sections of the Code or the Income Tax Regulations (26 CFR part 1).

This revenue procedure also provides information on the requirements specific to the Additional Selection Criteria (ASC) application options, including documentation submission requirements. Additionally, this revenue procedure describes how the Capacity Limitation will be divided across the facility categories, and information on the placed in service reporting requirements.

SECTION 2. BACKGROUND

Section 13702 of Public Law 117–169, 136 Stat. 1818, 1921 (August 16, 2022), commonly known as the Inflation Reduction Act of 2022 (IRA), added new § 48E(h) to the Code. Section 48E(h) increases the amount of the § 48E credit with respect to eligible property that is part of an applicable facility that is awarded an allocation of Capacity Limitation as part of the Program. The amount of § 48E credit for a taxable year is calculated by multiplying the qualified investment for such taxable year with respect to any qualified facility placed in service during that taxable year by the applicable percentage (as defined in § 48E(a)(2)). Section 48E(h) increases the § 48E credit by increasing the applicable percentage used to calculate the amount of the § 48E credit (§ 48E(h) Increase).

Section 48E(h)(4) directs the Secretary of the Treasury or her delegate (Secretary) to establish a program to allocate amounts of Capacity Limitation to applicable facilities.

On September 3, 2024, the Department of the Treasury (Treasury Department) and the Internal Revenue Service (IRS) published a notice of proposed rulemaking (REG-108920-24) under § 48E(h). Final regulations were published on January 13, 2025.

SECTION 3. APPLICABLE FACILITY

.01 In general. To be eligible to apply for and receive an allocation of Capacity

Limitation, and to later claim the § 48E(h) Increase, a facility must be an applicable facility as defined under § 48E(h)(2)(A) and § 1.48E(h)-1(b). Eligibility as an applicable facility includes the requirement under § 48E(h)(2)(A) and § 1.48E(h)-1(b)(1) and that the facility be a qualified facility, as defined in § 48E(b)(3), and is a non-combustion and gasification (Non-C&G Facility) that the Secretary has determined has a greenhouse gas (GHG) emissions rate of not greater than zero.

.02 Types of Qualified Facilities. Under § 1.48E(h)-1(b)(1) and consistent with Treasury Department and IRS guidance under §§ 45Y and 48E, the following types or categories of qualified facilities are categorically Non-C&G Facilities with a GHG emissions rate that is not greater than zero, and may be eligible for an allocation of Capacity Limitation: wind (including small wind properties), hydropower (including retrofits that add power production to non-powered dams, conduit hydropower, hydropower using new impoundments, and hydropower using diversions such as a penstock or channel), marine and hydrokinetic, solar (including photovoltaic and concentrated solar power), geothermal (including flash and binary plants), nuclear fission, fusion energy, and waste energy recovery property (WERP) that derives energy from any of the energy sources described in this list. Under § 1.48E(h)-1(b)(1), the types or categories of qualified facilities that are Non-C&G Facilities are determined based on Treasury Department and IRS guidance in effect as of the opening date of that Program year.

SECTION 4. CAPACITY LIMITATION AVAILABLE FOR ALLOCATION

.01 Annual Capacity Limitation. The amount of Capacity Limitation available for allocation through the application process provided in this revenue procedure is limited

to the annual Capacity Limitation of 1.8 gigawatts of direct current (DC) capacity, as specified at § 48E(h)(4)(C), plus any unallocated Capacity Limitation carried over from the previous Program year, as required under § 48E(h)(4)(D)(i) and (ii) (specifically for the carryover of unallocated capacity from calendar year 2024 under § 48(e) to calendar year 2025). If any Capacity Limitation is remaining when a Program year closes, then that Capacity Limitation will be carried over to the next Program year as described in section 4.06 of this revenue procedure.

.02 Distribution of Annual Capacity Limitation. As provided in § 1.48E(h)-1(g)(1), the annual Capacity Limitation available for allocation is divided across the four facility categories described in § 48E(h)(2)(A)(iii) and § 1.48E(h)-1(b)(2). For each Program year, the annual Capacity Limitation of 1.8 gigawatts (as measured in DC) is distributed across the categories as shown in Table 1.

Table 1

Category 1: Located in a Low-Income Community	600 megawatts
Category 2: Located on Indian Land	200 megawatts
Category 3: Qualified Low-Income Residential Building Project	200 megawatts
Category 4: Qualified Low-Income Economic Benefit Project	800 megawatts

.03 Category 1 sub-reservations. The reservation for Category 1 is further subdivided for each Program year into a sub-reservation for eligible residential behind the meter (BTM) facilities as described in §§ 1.48E(h)-1(g)(2) and 1.48E(h)-1(i)(2)(ii), and a sub-reservation for front of the meter (FTM) facilities described in §§ 1.48E(h)-1(g)(2) and 1.48E(h)-1(i)(2)(iii), and non-residential BTM facilities that meet the

requirements of §§ 1.48E(h)-1(g)(2) and 1.48E(h)-1(i)(2). The Category 1 reservation from the annual Capacity Limitation distribution is divided into further sub-reservations as shown in Table 2.

Table 2	
Eligible Residential BTM Facilities	400 megawatts
Eligible FTM Facilities and Non-residential BTM Facilities	200 megawatts

.04 Additional Selection Criteria Reservation. At the beginning of each application period for a Program year, 50 percent of the Capacity Limitation in each category or Category 1 sub-reservation is reserved for ASC applicants, as provided for under § 1.48E(h)-1(h)(1) and section 8.03(1) of this revenue procedure.

.05 Redistribution of Capacity Limitation within a Program year. If, at the close of the application period (as described in section 5.04 of this revenue procedure and § 1.48E(h)-1(j)(4)) for a given Program year, there are undersubscribed categories or sub-reservations, the remaining Capacity Limitation will be redistributed to the oversubscribed categories or sub-reservations in the manner provided in § 1.48E(h)-1(g)(3).

.06 Carryover of Unallocated Capacity Limitation. If, after redistributing Capacity within a Program year, as described in section 4.05 of this revenue procedure, there is remaining unallocated Capacity Limitation, that Capacity Limitation will be carried over to the next Program year. Carried over Capacity Limitation will be equally divided, rounded to the nearest kilowatt, and distributed across the categories as described in §

1.48E(h)-1(g)(4). The carried over Capacity Limitation will be further equally divided within each category as described in § 1.48E(h)-1(g)(4).

SECTION 5. GENERAL APPLICATION PROCESS

.01 In general. An applicant (described in section 6 of this revenue procedure) must apply for an allocation of Capacity Limitation through the online applicant portal system (Portal), at <https://eco.energy.gov/licbonus>. The Portal is also linked at <https://www.irs.gov/credits-deductions/low-income-communities-bonus-credit> or <https://www.irs.gov/licBonusCredit> (Program homepage). The application must contain all information, documentation, and attestations specified in section 7 of this revenue procedure. Additional guidance material and a User Guide with detailed instructions for Portal use are linked on the Program homepage.

.02 Selection of the appropriate category or sub-reservation. In the Portal, applicants must select an application option for a particular facility category, as described in § 1.48E(h)-1(b)(2) (that is, Category 1 Facility, Category 2 Facility, Category 3 Facility, or Category 4 Facility). If the applicant is applying in Category 1, the applicant must also select the appropriate Category 1 sub-reservation described in § 1.48E(h)-1(i) (that is, eligible residential BTM facilities or eligible FTM facilities and non-residential BTM facilities located in low-income communities). Additionally, eligible applicants who plan to apply under the ASC described in § 1.48E(h)-1(h) must select the ASC application option in each Category or Category 1 sub-reservation. Applications will not be moved to a different facility category or Category 1 sub-reservation. Applicants that should be considered in a different Category or Category 1 sub-reservation must withdraw the application for the option under which the applicant

originally applied for a particular applicable facility and create a new application under the appropriate option. If an applicant applies under two ASC criteria and it is determined that the application does not meet one of the two claimed ASC types of criteria, that application will be updated and processed as satisfying one ASC criterion in the same Category or Category 1 sub-reservation. Additionally, if an applicant applies under either one or two ASC criteria, and it is determined that the application does not meet any claimed ASC criteria, that application will be moved to non-ASC in the same Category or Category 1 sub-reservation.

.03 One application. Applicants may only submit one application per applicable facility per Program year. For an applicable facility that has integrated operations with one or more other qualified facilities, as described in § 1.48E-1(b)(3)(iv), and is still eligible for the Program, applicants may only submit one application for that applicable facility (including any other qualified facilities with integrated operations). If, after submitting an application for an applicable facility, the applicant decides that it would rather have the facility considered for an allocation under a different facility category or Category 1 sub-reservation, or under an ASC criterion if previously not submitted as ASC, the applicant must withdraw the first application and submit a new application under the intended facility category or Category 1 sub-reservation. If it is identified that an applicant has submitted more than one application for a single applicable facility (and the applicant has not withdrawn the previously submitted application(s)), any application submitted after the first submitted application will be considered a duplicate application and will be treated as withdrawn.

.04 Application period. For Program year 2025, the application period will open on

January 16, 2025 at 9:00 AM Eastern Standard Time (EST), and close on the first Friday in August 2025 at 11:59 PM EST. Beginning for Program year 2026, and for each subsequent year of the Program, the application period will open the first Monday in February at 9:00 AM EST and close the first Friday in August at 11:59 PM EST. See section 8.02(1) of this revenue procedure for information on the application review process and the initial 30-day period for application submission.

SECTION 6. APPLICANT

.01 In general. The owner of the applicable facility is the person who must apply for an allocation of Capacity Limitation. If the facility is determined to be eligible for an allocation, and there is Capacity Limitation available to allocate, the owner of the applicable facility is the recipient of the allocation of Capacity Limitation. In addition to being the owner of the applicable facility, the applicant should be the taxpayer that intends to claim the underlying § 48E credit to which the § 48E(h) Increase will be applied, provided facility ownership is not transferred after allocation (as discussed in section 12 of this revenue procedure).

.02 Disregarded entities. A disregarded entity cannot be an applicant. If an applicable facility is owned by an entity that is disregarded as separate from its owner for federal income tax purposes, the owner of the disregarded entity, also known as the regarded entity, is the owner of the facility and must be the applicant. If a disregarded entity improperly registers as another entity type and applies as a regarded entity, then any applications submitted by that entity are invalid. The IRS relies on the information the taxpayer submits at registration as the applicant. If the IRS allocates an amount of Capacity Limitation to an applicant, and later discovers that the applicant is a disregarded entity, the IRS will rescind the allocation of Capacity Limitation. This

section also applies to sole proprietorships where the disregarded entity is owned by a single person.

.03 Tribal Enterprise. For entities wholly owned and chartered under Tribal law and corporations incorporated under the authority of either section 17 of the Indian Reorganization Act of 1934, 25 U.S.C. 5124 or section 3 of the Oklahoma Indian Welfare Act, 25 U.S.C. 5203, an application may be made as a Tribal Enterprise.

.04 Partnerships and S corporations. If an applicable facility is owned by a partnership or S corporation, then the partnership or S corporation, and not its partners or shareholders, is the owner of the facility and is the applicant. For unincorporated organizations that have made or will make an election under § 761(a) to be excluded from the application of subchapter K of chapter 1, the organization, and not its members, is still the applicant that must register and apply for the allocation.

SECTION 7. APPLICATION

.01 In general. Applications for the Program can only be completed and submitted through the Portal. Applicants must register in the Portal before they can begin the application process.

.02 Registration.

(1) An individual who is legally authorized to bind the applicant entity for federal income tax purposes must first create a login.gov account before the individual can access and register the applicant in the Portal. After a login.gov account has been created, the user can then register the taxpayer as the applicant in the Portal. Each applicant that intends to submit applications must separately register for the Portal. The individual registering the applicant must create a separate login.gov account for each

applicant on behalf of which the individual will be completing and submitting an application or applications. See the Applicant User Guide, which is linked on the Program Homepage, for more information on creating a login.gov account and for detailed instructions on the Portal Registration requirements, as updated.

(2) The user that created the login.gov account and that is registering the applicant must enter their name and email address in the Organization Contact section. This person is completing the application as the applicant and, therefore, must be legally authorized to bind the applicant. Third-party representatives, which includes general employees, are not qualified to register or apply for an applicant.

(3) The “organization” on the registration page is the applicant. The information provided at registration for the “organization’s name” and “taxpayer identification number (TIN)” must be the applicant’s information.

(4) The applicant’s federal tax classification must be provided under “organization type.” A Limited Liability Company (LLC) is a business structure allowed by state statute and is not a federal tax classification. When registering an LLC, determine the correct federal tax classification of the LLC before proceeding. An LLC that is a disregarded entity cannot be an applicant.

(5) Registrants must attest to the following attestation: “Under penalty of perjury, I attest that the applicant is not a disregarded entity as described in Treas. Reg. §§ 301.7701-2(a) and 301.7701-3. I attest that the applicant is either a per se corporation as defined in § 301.7701-2(b) or, if the entity is an eligible entity as defined in §301.7701-3(a), it has either (i) more than one owner, partner, member, or shareholder or (ii) filed an election to be classified as an association taxable as a corporation. I

further attest that the applicant has not filed an election to be classified as a qualified REIT subsidiary (within the meaning of § 856(i)(2)), or a qualified subchapter S subsidiary (within the meaning of § 1361(b)(3)(B)).” This attestation is included in the Portal, and by proceeding with the registration process and submitting this attestation, the registrant will be treated as having signed the attestation.

.03 Application Submission. The applicant must submit their application, including any required information, documentation, and attestations required by section 7 of this revenue procedure, under penalties of perjury. The person completing and submitting the application must have personal knowledge of the facts related to the application and be a person who is legally authorized to (1) bind the applicant entity for federal income tax purposes, including providing, under penalties of perjury, the attestations under sections 7 and 10.02 of this revenue procedure; (2) communicate with reviewers about the application prior to and after submission of the application; and (3) receive notifications, letters, and other communications from reviewers and the IRS. For example, an application may be authorized by an officer of a corporation, a general partner of a state law partnership, a trustee on behalf of a trust, or the proprietor in the case of a sole proprietorship. The person submitting the application must attest, through the Portal, that they have the requisite authority to legally bind the applicant with respect to federal income tax matters. This person must also first register in the Portal as explained in section 7.02(1).

.04 Applicant Information. The application must include the following identifying information of the applicant.

- (1) The name of the applicant;

(2) The unique federal taxpayer identification number for the applicant. Unless a transfer request is reviewed and approved by the IRS or the unincorporated organization has made a § 761(a) election to be excluded from the application of subchapter K of chapter 1 (see section 13 of this revenue procedure), the TIN of the applicant must match the TIN of the taxpayer that will claim the credit under § 48E(a) in addition to the applicable percentage increase under § 48E(h), or, in the case of a partnership or S corporation, the partnership or S corporation that owns the facility when it is placed in service;

(3) The applicant's address;

(4) If the applicant is a subsidiary corporation of a consolidated group filing a consolidated federal income tax return, the legal name and federal taxpayer identification number of the parent corporation of the consolidated group; and

(5) Any other information required by publicly available written procedures on the Program Homepage.

.05 Applicable Facility Information.

(1) In general. For any applicable facility described in section 3.01 of this revenue procedure, the application requires the applicant to provide the information described in section 7.05(2) and 7.05(3) of this revenue procedure, and any other information required by publicly available written procedures provided on the Program Homepage.

(2) Applicable facility maximum net output and nameplate capacity.

(a) Applicable facility with nameplate capacity measured in alternating current.

Applicants seeking an allocation for an applicable facility with a nameplate capacity measured in alternating current (AC) must report the expected maximum net output of

the facility in AC. If an applicable facility has integrated operations with one or more other qualified facilities and is still eligible for the Program, then the sum of the nameplate capacity of the applicable facility and each other qualified facility must be reported, consistent with § 1.48E(h)-1(b)(3)(iv). Applicable facilities with a nameplate capacity measured in AC that are selected for an allocation will be awarded an amount of Capacity Limitation in DC that is equal to the facility's reported nameplate capacity in AC.

(b) Applicable facility with nameplate capacity measured in direct current.

Applicants seeking an allocation for an applicable facility with a nameplate capacity measured in DC (such as solar facilities) must report the nameplate capacity of the facility in DC and the expected maximum net output of the facility as measured in AC, to ensure the facility meets the less than 5 megawatts (MW) (as measured in AC) requirement under § 48E(h)(2)(A)(ii). If an applicable facility has integrated operations with one or more other qualified facilities and is still eligible for the Program, then the sum of the nameplate capacity of the applicable facility and each other qualified facility must be reported, consistent with § 1.48E(h)-1(b)(3)(iv). Applicable facilities with a nameplate capacity measured in DC that are selected for an allocation will be awarded an amount of Capacity Limitation in DC that is equal to the facility's reported nameplate capacity in DC.

(3) Facility location. Applicants must provide the location of the applicable facility, including street address (if applicable) and coordinates (latitude and longitude).

Applicants should provide a single address and a single set of coordinates.

.06 Documentation.

(1) In general. Applicants must submit the documentation specified in sections 7.06(2) and 7.06(3) of this revenue procedure with an application for an allocation of Capacity Limitation. An application is not complete and may be rejected if any required documentation is not included.

(2) Facility documentation for all categories. As specified in Table 3, the following documents are required for each applicable facility for which an application is submitted:

Table 3

Document Requirement	FTM ²	BTM ³ ≤ 1 MW AC	BTM > 1 MW AC
One of the following documents, in its entirety, inclusive of any amendments, appendices, consumer disclosures, and schedules thereto, executed by each party ⁴ on or before the date of application submission: 1) If the applicant will <u>not</u> execute a lease or a power purchase agreement (PPA) with respect to the facility, an executed contract for the installation of the facility owned by the applicant (for example,	No	Yes	Yes

² As defined in § 1.48E(h)-1(i)(2)(iii), for the purposes of the Program, an applicable facility is front of the meter (FTM) if it is directly connected to a grid and its primary purpose is to provide electricity to one or more offsite locations via such grid or utility meters with which it does not have an electrical connection; alternatively, FTM is defined as a facility that is not BTM. For the purposes of Category 4, an applicable facility is also FTM if 50 percent or more of its electricity generation on an annual basis is physically exported to the broader electricity grid.

³ As defined in § 1.48E(h)-1(i)(2)(i), an applicable facility is behind the meter (BTM) if (1) it is connected with an electrical connection between the facility and the panelboard or sub-panelboard of the site where the facility is located, (2) it is to be connected on the customer side of a utility service meter before it connects to a distribution or transmission system (that is, before it connects to the electricity grid), and its primary purpose is to provide electricity to the utility customer of the site where the facility is located. This definition also includes systems not connected to a grid and that may not have a utility service meter and that have a primary purpose of serving the electricity demand of the owner of the site where the system is located.

⁴ If the applicant is not a party named in the contract, the applicant must provide with the applicable contract a statement explaining why the applicant is not named in the contract and the relationship between the appropriate entity named in the contract and the applicant. The applicant must be the owner of the applicable facility to be eligible to apply for an allocation of Capacity Limitation.

an engineering, procurement, and construction contract). For purposes of meeting this requirement, if the applicant will self-install the facility, the applicant must submit a contract to purchase the energy generation equipment. 2) If the applicant will execute a lease with respect to the facility, an executed contract to lease the facility between the applicant (as the lessor) and the lessee. 3) If the applicant will execute a PPA with respect to the facility, an executed power purchase agreement for the generation by the facility between the applicant and the offtaker of the electricity generated.			
A copy of the final, executed interconnection agreement, if applicable (see below), executed by each party on or before the date of application submission. If the facility is located in a market where the interconnection agreement cannot be countersigned by the interconnecting utility prior to completion of construction or interconnection of the facility, the applicant must provide: 1) A copy of the submitted interconnection agreement with proof of submission or offer signed by the applicant (or its agent), 2) a copy of the final completed interconnection screen/study, and 3) either a conditional approval letter that identifies	Yes	No	Yes

the specific facility from the interconnecting utility or an affidavit⁵ stating that, based on the interconnecting utility's guidance, the facility's interconnection agreement cannot be countersigned by the interconnecting utility and executed until after construction of the facility. If an interconnection agreement is not applicable to the facility (for example, due to utility ownership), the interconnection agreement requirement is satisfied by a final written decision from a Public Utility Commission, cooperative board, or other governing body with sufficient authority that financially authorizes the facility. If the facility is under a utility jurisdiction that does not require a study or additional approvals after interconnection application submission, then the applicant must provide proof of interconnection application submission and either public utility guidance or an executed letter from the utility that states that the applicable facility has completed all interconnection requirements.			
If the facility is on land under the regulatory authority of a Tribe (including its political subdivisions, agencies, or instrumentalities, and Tribal Enterprises), Alaska Native Corporation, or the Department of Hawaiian Homelands, the	Yes	No	Yes

applicant must provide: 1) a Notice to Proceed issued by the applicable governing authority within the relevant Tribe, Alaska Native Corporation, of the Department of Hawaiian Home Lands, and 2) a copy of the submitted interconnection screen/study or a notice of intent to enter into a PPA. For 1), the Notice to Proceed issued by the relevant authority should be a notice, letter, or resolution that clearly states the following information: 1) the applicant (or taxpayer) name, 2) energy facility location (address), 3) a description of the energy facility, 4) timeline of facility development, and 5) clear approval from the relevant regulatory authority that the facility has been evaluated and is ready to proceed. For 2), if an interconnection agreement is not applicable to the facility (for example, due to utility ownership), the interconnection agreement requirement is satisfied by the Notice to Proceed issued under the regulatory authority of a Tribe (including its political subdivisions, agencies, or instrumentalities, and Tribal Enterprises), Alaska Native Corporation, or the Department of Hawaiian			
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Homelands			
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(3) Category 3 facility specific documentation. Applicants applying for an allocation under Category 3 must provide documentation demonstrating that the applicable facility will be installed on an eligible residential rental building and a Benefits Sharing Statement as described under § 1.48E(h)-1(e)(6)(i).

(a) Eligible Housing Programs. Section 48E(h)(2)(B)(i) requires a facility to be installed on a residential rental building that participates in a covered housing program (as defined in section 41411(a) of the Violence Against Women Act of 1994 (34 U.S.C. 12491(a)(3)), a housing assistance program administered by the Department of Agriculture under title V of the Housing Act of 1949, a housing program administered by a tribally designated housing entity (as defined in section 4(22) of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4103(22)), or any other affordable housing program identified by the Department of the Treasury. The eligible residential rental building (and not just its tenants) must participate in an eligible housing program. The Treasury Department and the IRS, in consultation with other Federal agencies, developed a list of Federal housing programs and policies that meet the requirements in § 48(e)(2)(B)(i):

- Department of Housing and Urban Development (HUD) section 202 Supportive Housing for the Elderly, including the direct loan program under section 202.
- HUD section 811 Supportive Housing for Persons with Disabilities.
- HUD Housing Opportunities for Persons With AIDS (HOPWA) program.
- HUD homeless programs under title IV of the McKinney-Vento Homeless Assistance Act, including the Emergency Solutions Grants program, the Continuum of Care program, and the Rural Housing Stability Assistance program.
- HUD HOME Investment Partnerships (HOME) program.
- Federal Housing Administration (FHA) mortgage insurance under section 221(d)(3) subsidized with a below-market interest rate (BMIR) prescribed in the proviso of section 221(d)(5) of the National Housing Act.

- HUD's section 236 interest rate reduction payments.
- HUD Public Housing assisted under section 9 of the United States Housing Act of 1937.
- HUD project-based rental assistance and project-based vouchers under section 8 of the United States Housing Act of 1937.
- HUD section 8 Moderate Rehabilitation Program.
- HUD section 8 Moderate Rehabilitation Single Room Occupancy Program for Homeless Individuals.
- USDA section 515 Rural Rental Housing.
- USDA section 514/516 Farm Labor Housing.
- USDA section 538 Guaranteed Rural Rental Housing.
- USDA section 533 Housing Preservation Grant Program.
- Treasury/IRS Low-Income Housing Credit under § 42.
- HUD National Housing Trust Fund.
- Veterans Administration (VA) Comprehensive Service Programs for Homeless Veterans.
- VA grant program for homeless veterans with special needs.
- VA financial assistance for supportive services for very low-income veteran families in permanent housing.
- Department of Justice transitional housing assistance grants for victims of domestic violence, dating violence, sexual assault, or stalking.
- Housing assistance programs administered by the USDA under title V of the Housing Act of 1949.
- Housing programs administered by an Indian Tribe or a Tribally designated housing entity (as defined in section 4(22) of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4103(22))).
- Housing programs administered by the Department of Hawaiian Home Lands (DHHL) as defined in Title VIII of the Native American Housing Assistance and Self-Determination Act of 1996 (24 CFR 1006.10), Hawaiian Homestead Associations (HHA) as defined in 43 CFR 48.6, and DHHL or HHA lands administered by Native Hawaiian Organizations as defined in 13 CFR 124.3.

(b) Category 3 facility draft Benefits Sharing Statement. Applicants to Category 3 must create and submit a draft Benefits Sharing Statement that includes the information described under § 1.48E(h)-1(e)(6). This draft Benefits Sharing Statement must include a calculation of the facility's gross financial value, a calculation of the facility's net financial value, a calculation of the financial value required to be distributed to building occupants, a description of the means through which the required financial value will be distributed to building occupants, and which entity will

be responsible for the distribution of benefits to the occupants. A Benefits Sharing Statement template is linked on the Program homepage. A final Benefits Sharing Statement must be submitted as part of placed in service reporting as described under section 10 of this revenue procedure.

(4) Category 4 facility draft Demonstration of Financial Benefits statement.

Applicants applying for an allocation under Category 4 must provide a draft Demonstration of Financial Benefits statement (as defined in § 1.48E(h)-1(f)(3)) demonstrating that the financial benefits requirements will be met based on the expected annual energy produced by the as-built facility at placed in service and during the recapture period under § 48E(h)(5) and § 1.48E(h)-1(n). This draft Demonstration of Financial Benefits statement must include a calculation of the total financial benefits of annual electricity production, the percent of the total financial benefits provided and/or assigned to Qualifying Households, the bill credit discount rate method used (with cost to participate or no or nominal cost of participation), a calculation of the bill credit discount rate, and a description of the means of distributing the required benefits to Qualifying Households. A final statement must be submitted as part of placed in service reporting as described under section 10 of this revenue procedure. The documentation described under § 1.48E(h)-1(f)(3)(vi) to demonstrate that the facility is enrolled in a utility tariff, program, or other arrangement used to distribute financial benefits to Qualifying Household is not required at application. This documentation will be submitted as part of the final Demonstration of Financial Benefits statement as part of placed in service reporting. An example draft Demonstration of Financial Benefits statement is linked on the Program homepage.

.07 Attestations. All applicants must make all the required attestations in Table 4 of this revenue procedure. The attestations in Table 4 are included as part of the application in the Portal. These attestations will appear at the end of each application, prior to submission. An applicant will be unable to submit their application if any required attestations are not completed. The person who registered the applicant and who is completing the application as the applicant, will be deemed to have signed the attestations upon submitting the application. If this person is not legally authorized to bind the applicant, as explained in section 7.03, and this person nonetheless completes the application, then the attestations and application are invalid.

Table 2

Attestations
I attest that the owner of the applicable facility has site control of the real property on which the facility will be installed and placed in service through ownership of the real property, an executed lease for the real property, or a site access agreement or similar agreement between the real property owner and the applicant.
For an applicable facility on lands under 25 U.S.C. 3501(2)(A)-(C) (Indian Land), I attest that I have obtained the applicable approval of the Tribal government or Alaska Native Corporation landowner. For an applicable facility not on Indian Land, complete this attestation to attest that the facility is not on Indian Land.
I attest that the applicable facility has obtained all applicable federal, state, tribal, and local non-ministerial permits for the facility, or that the facility is not required to obtain such permits. ⁶
I attest that when performing the activities that support this application, I was, or will be,

⁶ Non-ministerial permits are permits in which one or more officials or agencies consider various factors and exercise some discretion in deciding whether to issue or deny permits. This does not include ministerial permits based upon a determination that the request complies with established standards such as electrical or building permits. Non-ministerial permits typically come with conditions and usually require public notice or hearings. Examples of non-ministerial permits include local planning board authorization, conditional use permits, variances, and special orders.

in compliance with all relevant federal, state, and local laws, including consumer protection provisions, and safety obligations, and that the applicant did not and will not engage in any unfair or deceptive acts or practices.
I attest that the applicable facility is sized, or that customer/offtaker subscriptions will be sized, to meet the customer's energy needs, considering historical customer load and/or reasonable future load projections, and is in accordance with applicable state and local requirements.
I attest that any end-use customer(s)/offtaker(s) of the applicable facility have and/or will receive consumer disclosures informing them of their legal rights and protections prior to executing a contract to subscribe or purchase power from the facility or lease a facility.
I attest that the applicable facility has not been placed in service at the time of this submission and will not be placed in service prior to being awarded an allocation of Capacity Limitation.
I declare that I am authorized to legally bind [the applicant]. Under penalties of perjury, I declare that I have examined this submission, including any accompanying documents, and, to the best of my knowledge and belief, all of the facts contained herein are true, correct, and complete. I authorize the Internal Revenue Service and its contractors and reviewers (including the Department of Energy) to verify the information provided in this submission. Such verification may include, but is not limited to, conducting independent research via public maps, the internet, publicly available sources, and other sources.

.08 Ownership Criteria documentation and attestation. In addition to the information, documentation, and attestations required above, any applicant purporting to meet the ASC for Ownership Criteria, as described under § 1.48E(h)-1(h)(2), must submit with their application the documentation specified below to demonstrate that they meet the Ownership Criteria.

(1) Tribal Enterprise. An applicant claiming to be a Tribal Enterprise, as described under § 1.48E(h)-1(h)(2)(iii), must provide proof of inclusion of its Indian Tribal government (Tribal government) owner on the current list of Tribal entities recognized

and eligible for funding and services by the Bureau of Indian Affairs (BIA).

(2) Alaska Native Corporation. An applicant claiming to be an Alaska Native Corporation (ANC), as described under §1.48E(h)-1(h)(2)(iv), must provide a copy of the relevant portions of the ANC's articles of incorporation and bylaws demonstrating that it is an ANC pursuant to 43 U.S.C. 1602(m) (and any relevant amendments), including the first page with the title of the document and, if applicable, the signature pages.

(3) Native Hawaiian Organization. An applicant claiming to be a Native Hawaiian Organization (NHO), as described under §1.48E(h)-1(h)(2)(v), must provide documentation that denotes that an entity is a NHO under 13 CFR 124.3. This may include their articles of incorporation, bylaws, or other documentation that showcases a designation of NHO such as a Small Business Administration certification.

(4) Renewable Energy Cooperative. An applicant that claims to be a Renewable Energy Cooperative, as described under § 1.48E(h)-1(h)(2)(vi), must provide a copy of its articles of incorporation and bylaws. The applicant must highlight the relevant language in these documents that demonstrates the entity meets either the consumer/purchasing cooperative requirements under § 1.48E(h)-1(h)(2)(vi)(A) or is a worker cooperative controlled by its worker-members with each member having an equal voting right as described under § 1.48E(h)-1(h)(2)(vi)(B).

(5) Qualified tax-exempt entity. An applicant claiming to be a qualified tax-exempt entity described in § 1.48E(h)-1(h)(2)(vii) must provide documentation supporting its claim as described below.

(a) An applicant claiming to be described in § 501(c)(3), § 501(c)(12), or § 501(d)

must provide the following:

(i) If its exempt status is recognized by the IRS at the time of application submission, proof of listing in IRS Pub. 78, *Cumulative List of Organizations Described in § 170(c)* (see the “Tax Exempt Organization Search” page on the IRS website), or in the Exempt Organizations Business Master File Extract (also available on the IRS website), such as a screenshot within the last 30 days, or, if issued within the last 12 months, a copy of its IRS determination letter or a letter from the IRS affirming its exempt status. See Pub. 4573, *Group Exemptions*, for information on group exemptions and returns.

(ii) If its exempt status has never been recognized by the IRS, a copy of its annual information return or notice under § 6033 filed within the last two years (if it has so filed). Section 501(c)(3) and 501(c)(12) organizations file a Form 990-series return or notice such as Form 990, *Return of Organization Exempt from Tax*. Section 501(d) organizations file Form 1065, *U.S. Return of Partnership Income*.

(iii) If an applicant’s exempt status has never been recognized by the IRS and it has not filed an annual information return or notice within the last two years, the applicant must provide other documentation demonstrating that it is described in § 501(c)(3), § 501(c)(12), or § 501(d) (such as its governing documents) and demonstrating that it is currently excepted from, or otherwise in compliance with, its exemption application requirements and information return filing requirements, unless it is a church or a convention or association of churches described in § 170(b)(1)(A)(i), in which case it may submit the following attestation, uploaded by the applicant in the Portal, signed by a person authorized to bind the entity: “*Solely for purposes of the*

§ 48E(h) credit, I certify that [insert applicant name] is a church or a convention or association of churches described in § 170(b)(1)(A)(i). I further certify that I am an officer of the Entity and that I am duly authorized to sign this statement on behalf of the Entity.”

(iv) An applicant described in § 501(c)(12) must also demonstrate that it is a corporation that operates on a cooperative basis and explain, in a statement uploaded by the applicant in the Portal, the extent to which it is engaged in furnishing electric energy to persons in rural areas.

(b) An applicant claiming to be a State, the District of Columbia, a Tribal government (as defined in § 30D(g)(9)⁷), a political subdivision of any of the foregoing,⁸ or an agency or instrumentality of any of the foregoing,⁹ must provide the following:

(i) A private letter ruling issued by the IRS ruling on its status, if any, or

(ii) An attestation signed under penalties of perjury, by a person authorized to bind the applicant, certifying that, *“to the best of the person’s knowledge and belief, that the entity is a State, the District of Columbia, a Tribal government, a political subdivision of any of the foregoing, or an agency or instrumentality of any of the foregoing, and acknowledging that this representation is not for the purpose of examination or inspection within the meaning of IRC § 7605(b).”* The attestation must be uploaded as part of the application in the Portal by the applicant. In addition to the acknowledgment

⁷ For a general discussion of Tribal governments and their subdivisions, see section 5.12 of Rev. Proc. 2024-1, 2024-1 IRB 1, and § 7871.

⁸ For a general discussion of political subdivisions of States, see Rev. Rul. 77-164, 1977-1 C.B. 20, Rev. Rul. 78-276, 1978-2 C.B. 256, and Rev. Rul. 83-131, 1983-2 C.B. 184.

⁹ For a general discussion of agencies and instrumentalities of governments, see Rev. Rul. 57-128, 1957-1 C.B. 311, *Rose v. Long Island Railroad Pension Plan*, 828 F.2d 910, 918 (2d Cir. 1987), *cert. denied*, 485 U.S. 936 (1988), and *Bernini v. Federal Reserve Bank of St. Louis, Eighth District*, 420 F. Supp. 2d 1021 (E.D. Mo. 2005).

described above, the attestation must include the following statement: “*Solely for purposes of the § 48E(h) credit, the applicant qualifies as a [insert the entity type as described above in this section].*”

(iii) In the case of an applicant claiming to be a Tribal government, a subdivision of a Tribal government, or an agency or instrumentality of any of the foregoing, proof that the Tribe is on the current list of Tribal entities recognized and eligible for funding and services published by the BIA, available on the BIA website.

(6) Qualified Renewable Energy Company. Applicants claiming to be a qualified renewable energy company (QREC), as described in § 1.48E(h)-1(h)(2)(vii), must provide each of the below requirements in a single package upload in the Portal as ASC documentation.

(a) Demonstration of Business Purpose. The applicant must submit relevant governing documentation dated at least two years prior to application submission containing and highlighting language which confirms the claimed business purpose of the applicant to serve low-income communities and provide pathways for the adoption of clean energy by low-income households, as required under § 1.48E(h)-1(h)(2)(vii).

(b) At least 51 percent ownership requirement. The applicant must provide a list of all individuals with an equity interest in the entity and specify for each individual the percentage of the individual’s ownership interest in the applicant entity and provide a diagram and description of the ownership structure to demonstrate that the applicant entity meets the at least 51 percent ownership requirements under § 1.48E(h)-1(h)(2)(vii)(B).

(c) Installation, operation, or services requirement. To demonstrate the applicant

meets the requirements of § 1.48E(h)-1(h)(2)(vii)(C), the applicant must provide: (1) documentation indicating the applicant entity has been in existence and operating for at least two years; and (2) an executed (by each party) contract including the applicant, in its entirety (including any amendments, appendices, consumer disclosures, and schedules, and dated at least two years prior to the date of application to this Program), to install, operate, or provide services to a clean energy facility.

(d) Employment and gross receipts. The applicant must provide a summary document that demonstrates it meets the employment and gross receipts requirements under § 1.48E(h)-1(h)(2)(vii)(D). To demonstrate this, the applicant entity must provide the following documentation:

(i) A list of all current full time and full-time equivalent employees of the applicant entity;

(ii) A copy of a federal tax filing for the previous two tax years listing the applicant entity's gross receipts; and

(iii) Either a statement providing that the applicant does not have any affiliates or, if the applicant has affiliates, a summary list of each affiliate entity of the applicant, a description of how affiliation was determined, a list of all current employees of affiliates, indicating the number of full-time and full-time equivalent employees, as provided in § 1.48E(h)-1(h)(2)(vii)(D), and a list of affiliate entity gross receipts for each affiliate entity from the previous taxable year.

(7) Qualifying entity in a partnership. If an applicant does not itself meet the Ownership Criteria described in § 1.48E(h)-1(h)(2), but the applicant is an entity treated as a partnership for federal income tax purposes, and an entity described in § 1.48E(h)-

1(h)(2)(i)(A)-(E) or (h)(2)(iii)-(vi) and section 7.07(1)-(4) of this revenue procedure owns at least a one percent interest (either directly or indirectly) in each material item of partnership income, gain, loss, deduction, and credit and is a managing member or general partner (or similar title) under State law of the partnership (or directly owns 100 percent of the equity interests in the managing member or general partner) at all times during the existence of the partnership, the applicable facility owned by the applicant will be deemed to meet the Ownership Criteria. In addition to providing the documentation described in section 7.08(1)-(4) of this revenue procedure with respect to the relevant partner meeting the requirements of § 1.48E(h)-1(h)(2)(iii)-(vi) (that is, the partner which the applicant is claiming meets the Ownership Criteria), the applicant must also submit documentation to demonstrate that the requirements described in § 1.48E(h)-1(h)(2)(ii)(B) are satisfied if the applicant is claiming to meet the Ownership Criteria based on this provision.

(8) Qualifying tax-exempt entity as partner qualifying partnership involving low-income housing credit. An applicant must provide documentation described in section 7.08(1)-(4) of this revenue procedure with respect to the relevant partner meeting the requirements of § 1.48E(h)-1(h)(2)(iii)-(vi) (that is, the partner which the applicant is claiming meets the Ownership Criteria), and the § 42 partnership agreement listing the relevant partner which the applicant is claiming meets the Ownership Criteria.

.09 Geographic Criteria attestation. If the applicant claims that it meets the ASC for Geographic Criteria described in § 1.48E(h)-1(h)(3) with respect to Categories 1, 3, or 4, the applicant attests that the applicable facility will be located in a Persistent Poverty County (PPC) or in a census tract that is designated as disadvantaged in the Climate

and Economic Justice Screening Tool (CEJST) as defined in § 1.48E(h)-1(h)(3).¹⁰

SECTION 8. REVIEW AND SELECTION PROCESS

.01 In general. The IRS will decide whether to award an applicant an amount of Capacity Limitation with respect to a facility based on the recommendation of reviewers.

.02 Order of application review and recommendation for allocation.

(1) Initial 30-day application period. In accordance with § 1.48E(h)-1(j)(4)(ii), when the application period opens, there will be a 30-day period during which applications will initially be accepted for each facility category. All applications submitted within the first 30 days will be treated as submitted on the same date and at the same time. The initial 30-day period will begin on the opening day of the application period described in section 5.04 and end at 11:59 pm on the 30th day after the opening day of the application period. The opening day is included in calculating the 30-day period. Refer to section 8.02(2) of this revenue procedure for information regarding the randomization process for applications submitted during the first 30 days.

(2) Randomization process for applications submitted during the 30-day period.

All applications submitted during the 30-day period will be randomized within their respective categories or Category 1 sub-reservation to determine the review order. The randomization process will determine the order of application review and consideration for an allocation of Capacity Limitation if the category or Category 1 sub-reservation is oversubscribed. The randomization process is conducted prior to application review. Regardless of an application's position in the review order, a facility will not receive an allocation of Capacity Limitation if the facility and the application with respect to that

¹⁰ Maps that capture applicable census tracts are linked on the Program homepage.

facility do not meet the requirements of the final regulations and this revenue procedure.

(3) Applications submitted after the initial 30-day period. Following the 30-day period, applications will continue to be accepted until the close of the application period described in section 5.04 of this revenue procedure. Applications submitted after the initial 30-day period will be held for review and consideration for an allocation of Capacity Limitation after the applications in the same category or Category 1 sub-reservation which were submitted during the initial 30-day period. Review of such applications will occur only if sufficient Capacity Limitation remains to be allocated in a given category or Category 1 sub-reservation, and in conjunction with the redistribution provisions described in section 4.05 of the revenue procedure. See section 8.03 of this revenue procedure for information regarding the processing of ASC applications submitted during and after the initial 30-day period.

(4) Close of Program year. The Program year will close each year no later than December 31 at 11:59 PM EST. At the end of a Program year, applications submitted but not awarded an allocation will be withdrawn.

.03 Processing Additional Selection Criteria applications.

(1) In general. As provided under § 1.48E(h)-1(h)(1) and section 4.04 of the revenue procedure, 50 percent of the Capacity Limitation in each facility category will be reserved for applicable facilities meeting the Ownership Criteria described in § 1.48E(h)-1(h)(2) and the Geographic Criteria described in § 1.48E(h)-1(h)(3)

(2) Prioritization of Additional Selection Criteria applications submitted during the initial 30-day period. For applications submitted during the initial 30-day period (described in section 8.02 of the revenue procedure), applications purporting to meet

one or more ASC are included in the randomization process (described in section 8.02(2) of this revenue procedure) with non-ASC applications for that category or Category 1 sub-reservation. However, applications purporting to meet one or more ASC, and which are submitted during the initial 30-day period, will be prioritized for an allocation over non-ASC applications within the same category or Category 1 sub-reservation. Allocations of Capacity Limitation for facilities meeting one or more of the ASC will be made from the 50 percent ASC reservation for such facilities. If during the initial 30-day period, an ASC reservation for a category or Category 1 sub-reservation is oversubscribed with ASC applications, Capacity Limitation from the applicable category or sub-reservation may be reallocated to prioritize review and consideration of ASC applications. . Applications purporting to meet two ASC qualifications (an Ownership Criteria and a Geographic Criteria), and that were submitted within the initial 30-day period, will be prioritized for review over applications purporting to have one ASC qualification through a base adder on top of the randomization result. Applications purporting to have one ASC qualification will be prioritized for review ahead of applications submitted without any ASC qualifications through a base adder on top of the randomization result. ASC qualifications may be removed during the review process if unsupported by the application, in which case the application would have the applicable ASC adder removed and the application would be reordered to the original randomization position prior to the addition of the base adder(s).

(3) Additional Selection Criteria applications submitted after the initial 30-day period. If after the initial 30-day period (described in section 8.02(3) of this revenue procedure) an ASC reservation for a category or Category 1 sub-reservation is

undersubscribed, such ASC reservation of 50 percent is maintained. However, as described in § 1.48E(h)-1(g)(3) and section 4.05 of this revenue procedure, Capacity Limitation may be redistributed to oversubscribed categories and sub-reservations within a Program year. ASC applications submitted after the initial 30-day period will be reviewed and considered for an allocation from the given ASC reservation until all the Capacity Limitation for that ASC reservation has been allocated or Capacity Limitation from the ASC reservation has been reallocated. If the ASC reservation is exhausted, the ASC applications submitted after the close of the initial 30-day period are not prioritized for an allocation from the overall Capacity Limitation reservation for the category or Category 1 sub-reservation. Instead, such ASC applications are combined with the general review queue for post-initial 30-day period applications in a given Category or Category 1 sub-reservation. Provided there is still capacity remaining to be allocated in the given Category or Category 1 sub-reservation, these post-initial 30-day period ASC applications are reviewed and considered for an allocation in the order in which they were received, along with the other non-ASC applications submitted after the initial 30-day period.

.04 Cure period for application defects.

(1) In general. If the application reviewer identifies a defect or is unable to confirm application details, such as missing or incorrect information or documentation, the applicant will be contacted by the application reviewer in the Portal. The reviewer will request that the applicant submit additional information or documentation to correct or complete the application through the Portal. If the review team determines the defect is not able to be cured, then the review team will recommend the application for rejection.

(2) Timing for applicant response. An applicant that is contacted by a reviewer to submit additional information or documentation or provide corrected information will have 12 business days (12 business day cure period) to respond and provide such requested information or documentation.

(3) Consequences for failure to respond or provide information. If an applicant fails to respond and provide the requested information or documentation within the 12 business day cure period, review will cease, and the application will be processed with the information previously supplied, which may result in a withdrawal or recommendation of rejection. The applicant may create and submit a new application for review if the facility remains eligible.

SECTION 9. NOTIFICATION OF ALLOCATION DECISION

.01 In general. The IRS will send final decision letters through the Portal to inform applicants of the outcome of the application process. For any applicant that receives an award of Capacity Limitation, the letter will state the amount of the allocated Capacity Limitation.

.02 Allocation amount. The Capacity Limitation allocated to an applicable facility will be determined based on the nameplate capacity of the facility as stated in the application. The Capacity Limitation allocation will be provided in DC. For facility types with a nameplate capacity measured in AC, AC will be treated as equivalent to DC for purposes of determining the amount of a Capacity Limitation allocation.

.03 Effect of an allocation. A Capacity Limitation allocation or a notification that an applicable facility has met the eligibility requirements under the Program at the time the facility is placed in service is not a final determination that property is eligible for an

increased credit under § 48E(h). The IRS may, upon examination, determine that property does not qualify for the increased credit.

SECTION 10. PLACED IN SERVICE

.01 In general. To satisfy the requirements of § 1.48E(h)-1(k), for any facility that receives an allocation of Capacity Limitation, the owner of the facility must report through the Portal the date the facility was placed in service and provide documentation and make attestations as required under section 10.02 of this revenue procedure.

.02 Documentation and attestation requirements. To satisfy the requirements of § 1.48E(h)-1(k), the owner must provide the following through the Portal:

(1) A Permission to Operate (PTO) letter (or commissioning report for off-grid facilities) confirming the location of the facility being placed in service.

(2) A Final, Professional Engineer (PE) stamped (if required by applicable state or local law) as-built design plan, PTO letter with nameplate capacity listed, or other documentation from an unrelated party verifying as-built nameplate capacity. If a PE stamped as-built design plan is not mandated by local jurisdiction, then either a signed statement from the facility owner confirming the final facility size or an upload of a single-line diagram accurately describing the final build is required.

(3) For Category 3 Facilities, a final Benefits Sharing Statement as described in § 1.48E(h)-1(e)(6) demonstrating that the financial benefits requirements will be met based on the expected annual energy produced by the as-built facility at placed in service. The final statement should clarify differences, if any, from the draft benefits statement provided during the application process. A template benefits sharing statement is linked on the Program homepage.

(4) For Category 4 Facilities, a final Demonstration of Financial Benefits statement as defined in § 1.48E(h)-1(f)(3)(vi)) demonstrating that the financial benefits requirements will be met based on the expected annual energy produced by the as-built facility at placed in service and during the recapture period under § 48E(h)(5) and § 1.48E(h)-1(n). The final statement should clarify differences, if any, from the draft Demonstration of Financial Benefits statement provided during the application process. An example Demonstration of Financial Benefits statement is linked on the Program homepage. The taxpayer must include with the Demonstration of Financial Benefits statement documentation described under § 1.48E(h)-1(f)(3)(vi) to demonstrate the facility is enrolled in a utility tariff, program, or other arrangement used to distribute financial benefits in the form of a bill credit discount rate to Qualifying Households.

(5) An attestation confirming that a disqualification event under § 1.48E(h)-1(m)(1) through (5) has not occurred.

(6) An attestation stating that the person submitting the information and documentation at placed in service is authorized to legally bind the taxpayer that owns the applicable facility, and that, under penalties of perjury, they have examined the submission, including any accompanying documents, and that, to the best of their knowledge and belief, all of the facts contained therein are true, correct, and complete.

SECTION 11. CLAIMING THE ENERGY PERCENTAGE INCREASE

.01 In general. After the facility is placed in service, and the owner submits the additional documentation and attestations described in § 1.48E(h)-1(k) and section 10 of this revenue procedure, the owner is notified that it (or the applicable partners or shareholders in the case of a partnership or an S corporation) may claim the energy

percentage increase on Form 3468, *Investment Credit* (or successor form) or Form 3800, *General Business Credit* (or successor form), or, if eligible, make an elective payment election under § 6417, or, if eligible, make a transfer election under § 6418.

.02 Reduction in Increased Energy Percentage. In cases where the applicable facility's nameplate capacity is larger than the allocated capacity when placed in service (but still below the maximum net output of 5 MW AC), the 10 percentage or 20 percentage point increase will be reduced by a reduction factor which is calculated by the amount of Capacity Limitation allocated (kW) divided by the total nameplate capacity installed (kW) at the time the owner of the facility claims the energy percentage increase under § 48E(h). See § 48E(h)(1)(B).

SECTION 12. ALLOCATION TRANSFERS

.01 In general. Except as otherwise provided in this section, a Capacity Limitation allocation award applies only to the taxpayer who applied for and received an allocation award for the facility the taxpayer owns. If the original applicant and allocation awardee transfers to another taxpayer ownership of the applicable facility to which the allocation of Capacity Limitation was made, the parties must complete a transfer request in the Portal for the allocation to be transferred to the successor owner. Written instructions for the allocation transfer request process are publicly available at <https://www.irs.gov/credits-deductions/low-income-communities-bonus-credit>. This website can also be accessed using irs.gov/licBonusCredit. Allocations cannot be transferred from one facility to another facility. Additionally, applicants may only request transfers from one regarded entity to another regarded entity and may not request transfers to or from disregarded entities. The IRS intends to provide future guidance

regarding unincorporated organizations that elect to be excluded from the application of subchapter K of chapter 1.

.02 Additional Selection Criteria. Applicants who received an allocation based on the ASC should refer to § 1.48E(h)-1(m)(5) regarding potential disqualification if the original applicant does not retain the requisite interest described in § 1.48E(h)-1(m)(5) in an entity treated as a partnership for federal income tax purposes that owns the facility.

SECTION 13. APPLICABILITY AND EFFECTIVE DATE OF THIS REVENUE PROCEDURE

The guidance in this revenue procedure is effective on January 8, 2025 and applies to Program year 2025 and subsequent years.

SECTION 14. PAPERWORK REDUCTION ACT

The Paperwork Reduction Act of 1995 (44 U.S.C. 3501 - 3520) (PRA) requires that a Federal agency obtain the approval of the Office of Management and Budget (OMB) before collecting information from the public, whether such collection of information is mandatory, voluntary, or required to obtain or retain a benefit. A Federal agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection of information displays a valid control number.

Sections 5, 7, and 10 of this revenue procedure mention reporting and recordkeeping requirements that are necessary to ensure that the facility meets the criteria for the tax credit under § 48E(h). In accordance with the Paperwork Reduction Act (44 U.S.C. 3507), these collections of information are included within the associated regulation and have been submitted to the Office of Management and Budget under

OMB Control Number 1545-2327 under PRA procedures 5 CFR 1320.11.

SECTION 15. DRAFTING INFORMATION

The principal author of this revenue procedure is the Office of Associate Chief Counsel (Passthroughs & Special Industries). However, other personnel from the Treasury Department and the IRS participated in its development. For further information regarding this revenue procedure, call the energy security guidance contact number at (202) 317-5254 (not a toll-free call).