



## Labor Standards Under the Inflation Reduction Act

### Frequently Asked Questions

The Inflation Reduction Act (IRA) of 2022 is delivering \$270 billion in tax incentives for a range of clean energy projects (e.g., wind, solar, carbon capture, clean hydrogen, nuclear). To qualify for enhanced tax credits under certain IRA programs,<sup>1</sup> taxpayers (e.g., owners, developers) must ensure that: (1) workers performing construction, alteration, and repair work on a clean energy project are paid *at least* the applicable Davis-Bacon prevailing wage rate, and (2) that a certain percentage of labor hours are performed by registered apprentices.

On November 30, 2022, Treasury published initial guidance on the IRA's prevailing wage and apprenticeship requirements. The initial guidance does not address every detail of implementation. Treasury is expected to initiate notice-and-comment rulemaking soon to further guide implementation and enforcement of the IRA's labor standards. The information contained herein is derived from the statute and Treasury's initial guidance. These FAQs are intended to help Building Trades unions assist developers, contractors, and subcontractors navigate the labor standards requirements under the IRA. This document will be modified from time to time to reflect new agency guidance and rulemaking.

#### **I. PREVAILING WAGE**

##### **1. What are Davis-Bacon prevailing wages and where can I access those rates?**

The Davis-Bacon Act of 1931 and subsequent Related Acts provide that construction workers on federal and federally-assisted projects are entitled to the locally prevailing wage, which is comprised of a basic hourly rate and fringe benefits rate. Examples of bona fide fringe benefits include life insurance, health insurance, pension plans, vacation pay, holiday pay, and supplemental unemployment benefits. The U.S. Department of Labor (DOL) establishes prevailing wage rates by county, for each classification of worker, based on survey data it collects from construction projects in the area. Prevailing wage rate schedules – known as “Wage Determinations” – are publicly available at [sam.gov](https://sam.gov) (click on “Wage Determinations,” then “Public Building or Works,” and enter project location and “construction type”).

When searching for Wage Determinations, it is important to select the correct “construction type.” DOL issues Wage Determinations for four categories of construction: Building, Heavy, Highway, and Residential. For examples of how DOL classifies projects under each category, *see* All Agency Memo. ([AAM No. 130](#) and [AAM No. 236](#) (AAMs are available at [sam.gov](https://sam.gov))).

##### **2. Who must be paid prevailing wages on a clean energy project seeking enhanced tax credits under the IRA?**

All workers performing construction, alteration or repair work on the clean energy project (e.g., electricians, ironworkers, insulators, laborers, operators, plumbers, sheet metal workers). Even workers classified as independent contractors must receive prevailing wage rates. Contractors may pay less than the prevailing rate to

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<sup>1</sup> IRA labor standards apply to the following tax incentive programs of the Internal Revenue Code: 30C (alternative fuel refueling property tax credit), 45 (production tax credit), 45L (energy efficient home tax credit), 45Q (carbon capture tax credit), 45U (nuclear power production credit), 45V (hydrogen production tax credit), 45Y (clean electricity production credit), 45Z (clean fuel production credit), 48 (investment tax credit), 48C (advanced energy project tax credit), 48E (clean electricity investment credit), and 179D (energy efficient commercial building deduction).

apprentices in Registered Apprenticeship Programs (Registered Programs). Generally, such apprentices must be paid and utilized in accordance with their apprenticeship program and apprenticeship agreement. If the apprenticeship agreement is silent as to fringe benefits, the full fringe benefit amount on the applicable Wage Determination must be paid to the apprentice to satisfy the IRA prevailing wage requirement. Apprentices who are not in a Registered Program, must receive the full prevailing wage.

**3. Do all DOL regulations and guidance on Davis-Bacon apply to clean energy projects seeking enhanced tax credits under the IRA?**

No. Under the IRA, Treasury – not DOL – has authority over the administration and implementation of the labor standards tied to enhanced tax credits. The IRA, however, does instruct Treasury to adopt DOL’s Wage Determinations. Moreover, Treasury may choose to voluntarily adopt existing policies of DOL, but it is not required to do so. For example, in its initial guidance, Treasury voluntarily adopted DOL’s regulatory provisions on apprentice pay, 29 C.F.R. §5.5(a)(4)(i), and various regulatory definitions, including the definition for “construction, alteration, and repair,” *id.* §5.2(j). Treasury also adopted DOL’s longstanding policy that – in addition to employees – independent contractors are also entitled to the prevailing wage.

If, however, a clean energy project is also assisted by a federal grant, loan, or loan guarantee program that is subject to traditional Davis-Bacon requirements, then the entire project will likely be subject to DOL’s regulations and guidance (e.g., 29 C.F.R. pts. 1, 3, 5; Prevailing Wage Resource Book; Field Operations Handbook; All Agency Memoranda).

**4. Which Wage Determination(s) apply to projects that involve more than one category of construction?**

As discussed in Question 1, when searching for Wage Determinations on [sam.gov](http://sam.gov), it is important to select the correct “construction type.” DOL issues Wage Determinations for four categories of construction: Building, Heavy, Highway, and Residential. Depending on the nature of construction, a taxpayer may have to apply more than one Wage Determination to a project. For example, if a taxpayer’s offshore wind farm project includes an operations and maintenance building at the port, the taxpayer may have to use a Heavy Construction Wage Determination for the wind farm and a Building Construction Wage Determination for the operations and maintenance building. DOL applies this practice only where the second category of work – Building, in the example above – exceeds 20 percent of total contract costs or where the second category of work exceeds \$2.5 million. *See AAM No. 236.*

**5. Do contractors and subcontractors have to submit weekly certified payroll reports (CPRs) to Treasury?**

No. As discussed above, Treasury need not follow DOL’s regulations on enforcement, including CPR requirements. Instead of weekly CPR submissions, Treasury’s initial guidance requires records retention. Treasury’s guidance states that the taxpayer (e.g., owner, developer) is responsible for collecting and maintaining “sufficient records” to establish that the taxpayer and its contractors and subcontractors paid no less than the prevailing wage. “Sufficient records” include but are not limited to, a copy of the applicable Wage Determination, records identifying the workers who performed construction work on the project, their job classifications, their hours worked, and the wage rates paid for the work. Treasury is not currently requiring that taxpayers submit these records on a regular basis. Taxpayers, however, will likely have to submit such records to Treasury upon requests in connection with a compliance audit.

**6. Can a taxpayer, contractor, or subcontractors on a clean energy project invent new subclassifications – such as “solar tech” – in order to avoid paying the prevailing wage rate applicable to a traditional classification (e.g., electrician, laborer)?**

Treasury and DOL guidance strongly discourage the low-road practice of splintering and subdividing traditional craft classifications (also known as deskilling). Although various developers have asked Treasury to recognize new lesser paid subclassifications – such as “solar technicians” and “wind technicians” – Treasury’s initial guidance preserves traditional craft classifications. Treasury’s guidance states that a taxpayer, contractor, or subcontractor may *only* petition DOL for additional classifications in “*limited circumstance[s] when no labor classification on the applicable prevailing Wage Determination applies to the planned work.*” Under this guidance, a developer attempting to add a lesser paid “solar technician” classification to a Wage Determination would be instructed to use the classification on the Wage Determination that performs such work.

## **7. What should a taxpayer, contractor, or subcontractor do if a classification is truly missing from a Wage Determination?**

Sometimes Wage Determinations do not list all craft classifications. This typically occurs when DOL conducts a survey and does not receive enough wage data for a particular classification. To add a missing classification to a Wage Determination outside of the survey process, DOL has established a procedure known as “conformance.” See 29 C.F.R. §5.5(a)(1)(ii). Treasury’s initial guidance establishes a process similar, but not identical, to DOL’s conformance process. Treasury’s guidance provides that where a taxpayer needs to add a missing classification to a Wage Determination, they must contact DOL’s Wage and Hour Division by email (IRAprevailingwage@dol.gov), and provide the following information: (1) project type and location, (2) proposed classification, (3) proposed prevailing wage rate(s), (4) duties of the proposed classification, and (5) the rationale for adding the proposed classification. The taxpayer need not use DOL’s conformance form (SF-1444). The taxpayer must ensure that the work to be performed by the proposed classification is not performed by a classification listed on the Wage Determination.

In reviewing requests for additional classifications, DOL will: (1) confirm that the applicable Wage Determination does not list a classification that performs the work of the classification requested; (2) verify that the proposed classification is used in the area by the construction industry; and (3) verify that the proposed wage rate bears a reasonable relationship to other wage rates in the Wage Determination. The latter requirement ensures that the wage rate paid to the added classification is not substantially lower than the wages paid to classifications listed on the Wage Determination.

## **II. APPRENTICESHIP UTILIZATION**

### **1. Can a taxpayer seeking an enhanced tax credit under the IRA satisfy the apprenticeship utilization requirement with apprentices from non-Registered Programs?**

No. The statute is clear. To qualify for enhanced credits, the taxpayer (e.g., owner, developer) must ensure that a certain percentage of total labor hours on a clean energy project are performed by apprentices in *Registered Programs*.

Registered Programs combine paid on-the-job training with classroom instruction to prepare workers for highly-skilled careers in the construction industry. Registered Programs are the most effective mechanism for bringing new workers into our industry, training them to understand all aspects of a trade, and providing them with the skills to safely perform complex tasks under ever-changing conditions. Registered Programs are approved and validated by DOL’s Office of Apprenticeship (OA) or DOL-recognized State Apprenticeship Agencies (SAAs). Registered Programs must comply with the standards set forth in 29 C.F.R. Parts 29 and 30.

Together, Building Trades unions and their construction industry partners operate over 1,600 Registered Programs across the country. A list of all our Registered Programs, by craft and location, is available [here](#).

## **2. How much work must registered apprentices perform on a clean energy project that is seeking enhanced tax credits under the IRA?**

The taxpayer must ensure the following with respect to construction work performed on a clean energy project:

- In the case of a project the construction of which begins<sup>2</sup> on or after January 29, 2023 and before January 1, 2024, 12.5 percent of total labor hours must be performed by registered apprentices.
- In the case of a project the construction of which begins after December 31, 2023, 15 percent of total labor hours must be performed by registered apprentices.

The thresholds set forth above apply to the project as a whole; they are not contractor specific threshold requirements. For example, a mechanical subcontractor on a wind project need not ensure that 12.5 percent of that subcontractor's total labor hours are performed by registered apprentices. Rather, the taxpayer (e.g., owner, developer) must ensure that 12.5 percent of *total* labor hours on *the project* are performed by registered apprentices. Example: The total labor hours for the construction of a clean energy facility is 10,000. 12.5 percent of 10,000 hours is 1,250 hours. The taxpayer may satisfy the apprenticeship utilization requirement if the mechanical contractor on the project utilizes apprentices to perform 1,150 hours, and if the electrical contractor utilizes apprentices to perform 100 hours (1,150 + 100 = 1,250 hours, i.e., 12.5 percent of 10,000 total labor hours).

## **3. Must every single contractor and subcontractor on a clean energy project hire registered apprentices to perform work?**

Only those contractors, subcontractors, and taxpayers on a clean energy project who employ four or more construction workers are required to utilize registered apprentices. Contractors, subcontractors, and taxpayers who employ four or more construction workers must employ one or more registered apprentices.

## **4. What are the apprentice-to-journeyworker ratio requirements applicable to clean energy projects seeking enhanced tax credits under the IRA?**

Contractors, subcontractors, and taxpayers must likely comply with the apprentice-to-journeyworker ratio set forth in the standards of the Registered Program that supplied the apprentices.

Apprentice-to-journeyworker ratios are designed to protect the safety of apprentices and to ensure apprentices receive quality on-the-job training. The IRA provides that contractors, subcontractors, and taxpayers that utilize apprentices must comply with the apprentice-to-journeyworker ratios of DOL's Office of Apprenticeship (OA) or the applicable DOL-recognized State Apprenticeship Agency (SAA). The OA and SAAs are known as registration agencies. A complete list of OA and SAA states is available [here](#).

Apprenticeship programs located in OA states must register their programs with the OA. Apprenticeship programs located in SAA states must register their programs with their SAA. Each registration agency is responsible for reviewing and approving programs within their respective jurisdictions. The registration agency must review and approve each program's standards, including the program's proposed apprentice-to-journeyworker ratios. Such ratios must be "consistent with" proper supervision, training, safety, continuity of employment, and applicable

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<sup>2</sup> To determine when construction "begins," Treasury directs taxpayers to use either the Physical Work Test or Five Percent Safe Harbor Principle. Under the Physical Work Test, construction of a facility begins when physical work of a "significant nature" begins; the focus is on the nature of the work performed, not the costs. Under the Five Percent Safe Harbor Principle, construction begins when a taxpayer pays or incurs five percent or more of the total costs of the facility. For more information on these two tests, see [IRS Notice No. 2022-61](#).

provisions in collective bargaining agreements. 29 C.F.R. §29.5(b)(7). The numeric ratio approved by the OA and SAAs may vary depending on the industry and on the program sponsor's track record on safety and training.

Because the ratios set forth in Registered Programs have been approved by the OA or an SAA in accordance with 29 C.F.R. §29.5(b)(7) and the respective agency's applicable policies, those ratios are the ratios that must be observed on clean energy projects seeking enhanced tax credits under the IRA.

#### **5. Are registered apprentices entitled to prevailing wage rates?**

Contractors may pay less than the prevailing rate to registered apprentices in Registered Programs. Generally, such apprentices must be paid and utilized in accordance with their apprenticeship agreement. If the apprenticeship agreement is silent as to fringe benefits, the full fringe benefit amount on the applicable Wage Determination must be paid to the apprentice to satisfy the IRA's prevailing wage requirement. Apprentices who are not in a Registered Program, must receive the full prevailing wage.

#### **6. What type of records must the taxpayer maintain in order to demonstrate compliance with the IRA's apprenticeship utilization requirements?**

Treasury's initial guidance requires records retention. Treasury's guidance states that the taxpayer (e.g., owner, developer) is responsible for collecting and maintaining "sufficient" records to establish that the taxpayer and its contractors and subcontractors have complied with the apprenticeship utilization, participation, and ratio requirements. Treasury is not currently requiring that taxpayers submit these records on a regular basis. Taxpayers, however, will likely have to submit such records to Treasury upon requests in connection with a compliance audit.

#### **7. Are there any exceptions to the IRA's apprenticeship utilization requirements?**

The IRA establishes an exception for taxpayers who make "good faith efforts" to secure apprentices. Specifically, a taxpayer may be excused from its obligation to ensure apprentice utilization in one of two ways:

(1) The taxpayer requests apprentices from a Registered Program, and the Registered Program denies the taxpayer's request. The taxpayer, however, cannot avail itself of this exception if the denial is the result of a refusal by the taxpayer or any contractor or subcontractor to comply with the established standards and requirements of the Registered Program.

(2) The taxpayer requests apprentices from a Registered Program, and the Registered Program fails to respond within five business days. Treasury's initial guidance does not specify the method by which the taxpayer must communicate the request (e.g., email, telephone call, fax). The guidance simply states that the request must be made "in accordance with usual and customary business practices for registered apprenticeship programs in a particular industry."

#### **8. How can taxpayers, contractors, and subcontractors secure registered apprentices from a joint labor-management training program?**

To request an apprentice from a Registered Program, the employer must agree to the standards and requirements of the Registered Program. DOL's IRA guidance states that this is customarily done through an agreement – e.g., an employer acceptance agreement, collective bargaining agreement, or project labor agreement. A list of all our Registered Programs, by craft and location, is available [here](#).

#### **9. Where can I get additional information on the implementation of the IRA's labor standards?**

- Treasury's Initial Guidance (Notice 2022-61) is available [here](#).
- DOL guidance on the IRA's prevailing wage requirements is available [here](#).

- DOL guidance on the IRA’s apprenticeship utilization requirements is available [here](#).
- DOL’s webinar on the IRA’s prevailing wage and apprenticeship utilization provisions is available [here](#).

## **SUMMARY: Inflation Reduction Act, Clean Energy Tax Incentives**

### **Existing Clean Energy Tax Incentives**

- **Production Tax Credit (PTC) – Sec. 45**
  - Base Credit – 0.3 cents per KWh
  - Bonus Credit – 5x base credit
  - Taxpayer receives the full credit in one of three ways:
    - Compliance with prevailing wage (PW) and registered apprentice (RA) utilization on the project, **or**
    - Construction commenced prior to January 30, 2023 (i.e., the date that is 60 days after Treasury issued guidance on PW/RA), **or**
    - The project has a maximum net output of less than 1 MW.
  - Buy America – Another 10% bonus credit is available if the taxpayer can guarantee the project is composed of steel, iron, or products manufactured in the United States. A manufactured product shall be considered to have been manufactured in the United States if not less than 40% of the total cost of the components of such product is attributable to components which are mined, produced, or manufactured in the United States (20% for offshore projects).
  - *Types of projects* – Onshore wind, solar, municipal solid waste (landfill gas, trash), biomass, qualified hydropower, marine and hydrokinetic renewable energy facilities, and geothermal.
- **Investment Tax Credit (ITC) – Sec. 48**
  - Base Credit – 6% (energy percentage of the basis) for most projects; 2% for others
  - Bonus Credit – 5x base credit
  - Taxpayer receives the full credit in one of three ways:
    - Compliance with prevailing wage and registered apprentice utilization on the project, **or**
    - Construction commenced prior to January 30, 2023 (i.e., the date that is 60 days after Treasury issued guidance on PW/RA), **or**
    - The project has a maximum net output of less than 1 MW.
  - The credit is valued at these amounts through Dec. 31, 2033, but the credit begins to phasedown: 26% in 2034, 22% in 2035, and 10% thereafter.
  - Buy America – Another 10% bonus credit is available if the taxpayer can guarantee the project is composed of steel, iron, or products manufactured in the United States. A manufactured product shall be considered to have been manufactured in the United States if not less than 40% of the total cost of the components of such product is attributable to components which are mined, produced, or manufactured in the United States (20% for offshore projects).
  - *Types of projects* – Solar, geothermal, offshore wind, fiber-optic solar equipment, fuel cell property, microturbine property, combined heat and power property, small wind energy property, biogas property, waste energy recovery property, energy storage technology, and linear generators.
- **Carbon Capture and Sequestration Tax Credit – Sec. 45Q**
  - Base Credit – The provision provides a base credit rate of \$12 to \$17 per metric ton of carbon oxide captured and \$26 to \$36 per metric ton for direct air capture projects.
  - Bonus Credit – 5x base credit
  - Taxpayer receives the full credit in one of two ways:

- Compliance with prevailing wage and registered apprentice utilization on the project, **or**
    - Construction commenced prior to January 30, 2023 (i.e., the date that is 60 days after Treasury issued guidance on PW/RA)
  - Extends the credit for facilities that begin construction by January 1, 2033.
  - *Types of projects* – Carbon capture storage and sequestration.
- **Energy Efficient Commercial Buildings Deduction – Sec. 179D**
  - Base Deduction – The maximum value of the base deduction is \$0.50 per square foot for energy savings, increased by \$0.02 per square foot for every percentage point by which the designed energy cost savings exceed 25% against the reference standard, not to exceed \$1.00 per square foot.
  - Bonus Deduction - The value of the bonus deduction is \$2.50 per square foot for energy savings, increased by \$0.10 per square foot for every percentage point by which designed energy cost savings exceed 25% against the reference standard, not to exceed \$5.00 per square foot.
  - Alternative Base and Bonus Deduction for Retrofit Property - IRA allows taxpayers to elect to take an alternative, parallel deduction for energy efficient lighting, HVAC, and building envelope costs placed into service in connection with a qualified retrofit plan. The value of base the deduction is determined by the reduction in a building’s energy usage intensity (EUI) upon completion of the retrofit, equal \$0.50 per square foot, increased by \$0.02 per square foot for every percentage point by which the reduction in EUI exceed 25%, not to exceed \$1.00 per square foot. The value of the bonus deduction is \$2.50 per square foot, increased by \$0.10 per square foot for every percentage point by the reduction in EUI exceed 25% against the reference standard, not to exceed \$5.00 per square foot.
  - Taxpayer may claim full deduction amount in one of two ways:
    - Compliance with paying prevailing wage and registered apprentice utilization, **or**
    - Construction commenced prior to January 30, 2023 (i.e., the date that is 60 days after Treasury issued guidance on PW/RA).
  - *Types of projects* – Installation of energy-efficient property in new or existing buildings. The energy-efficient property must be part of at least one of three systems: (1) interior lighting systems, (2) the building envelope, or (3) heating, cooling, ventilation, and hot water systems.
- **Advanced Energy Project Tax Credit – Sec. 48C**
  - Base Credit – 30% of taxpayer’s qualified investment in an advanced energy project
  - For a project to be eligible for the full 30% credit, the taxpayer must comply with prevailing wage requirements for the establishment, expansion, or re-equipping of a manufacturing facility and utilize registered apprentices during construction of the project.
  - *Types of projects* – A project that re-equips, expands, or establishes a manufacturing facility for the production of various types of clean energy equipment (e.g., equipment designed to produce energy from the sun, wind, or water; energy storage systems and components; electric grid equipment; equipment designed to capture or sequester carbon oxide emissions).
- **Alternative Fuel Refueling Property Tax Credit – Sec. 30C**
  - Base Credit – Credit equal to 6% of the cost of qualified alternative fuel vehicle refueling property (e.g., EV charging station), subject to a \$100,000 per station limit.
  - Bonus Credit – 5x base credit.
  - Taxpayer receives the full credit in one of two ways:
    - Compliance with prevailing wage and registered apprentice utilization on the project, **or**
    - Construction commenced prior to January 30, 2023.

- The credit is in effect through Dec. 31, 2032.
- *Types of projects* – Zero-emissions charging infrastructure, including EV charging stations and hydrogen refueling stations.

- **Energy Efficient for New Home Tax Credit – Sec. 45L**

- Base Credit – In the case of a dwelling unit which is *part of a building* eligible to participate in the Energy Star Multifamily New Construction Program, \$500 or \$1,000, depending on the Energy Star certification or DOE Zero Energy Ready Home certification.
- Bonus Credit – \$2,500 to \$5,000, depending on the Energy Star or DOE Zero Energy Ready Home certification.
- Taxpayer receives the full credit only if it complies with prevailing wage requirements for the duration of the construction of such units. No RA requirement.
- The credit shall not apply to housing projects acquired after December 31, 2032.
- *Types of projects* – Multifamily housing eligible to participate in [EPA’s Energy Star Multifamily New Construction Program](#) (excludes single-family detached homes and two-family dwellings).

### **New Clean Energy Tax Incentives**

- **Clean Electricity Investment Tax Credit (CEITC)– Sec. 48E**

- Base Credit – 6% (energy percentage of the basis) for most projects.
- Bonus Credit – 5x base credit.
- Taxpayer receives the full credit in one of three ways:
  - Complies with prevailing wage and registered apprentice utilization, **or**
  - The project has a maximum net output of less than 1 MW, **or**
  - Construction began prior to January 30, 2023 (i.e., the date that is 60 days after Treasury published guidance on PW/RA).
- Buy America – Rules similar to Sec. 48 ITC (see above)
- *Types of projects* – CEITC effectively replaces the Sec. 48 ITC (see above) for qualified facilities and energy storage technology *placed in service after* December 31, 2024. Qualified facilities must be used for the generation of electricity, and the anticipated greenhouse gas emissions rate must not be greater than zero.

- **Clean Electricity Production Tax Credit (CEPTC)– Sec. 45Y**

- Base Credit – 0.3 cents per KWh
- Bonus Credit – 5x base credit
- Taxpayer receives the full credit in one of three ways:
  - Compliance with prevailing wage and registered apprentice utilization on the project, **or**
  - Construction commenced prior to January 30, 2023 (i.e., the date that is 60 days after Treasury issued guidance on PW/RA), **or**
  - The project has a maximum net output of less than 1 MW.
- Buy America – Rules similar to Sec. 45 PTC (see above)
- *Types of projects* – CEPTC effectively replaces the Sec. 45 PTC (see above) for qualified facilities *placed in service after* December 31, 2024. Qualified facilities must be used for the generation of electricity, and the anticipated greenhouse gas emissions rate must not be greater than zero.

- **Clean Hydrogen Production Tax Credit – Sec. 45V**

- Base Credit - Credit equal to (i) the number of kilograms of clean hydrogen produced by taxpayer, (ii) multiplied by the available credit amount (60 cent “base”/\$3 max), (iii) multiplied by the applicable rate (i.e., 20%, 25%, 33.4%, or 100% depending on the project’s lifecycle



- greenhouse gas emission rate).
  - Bonus Credit - 5x base credit.
  - Taxpayer receives the full credit in one of two ways:
    - Compliance with prevailing wage and registered apprentice utilization on the project, **or**
    - Construction commenced prior to January 30, 2023 (i.e., the date that is 60 days after Treasury issued guidance on PW/RA).
  - No credit is allowed for facilities which begin construction after December 31, 2032. Sec. 45V credit cannot be combined with Sec. 45Q credit.
  - *Types of projects* – clean hydrogen facilities
- **Zero-Emission Nuclear Power Production Credit – Sec. 45U**
  - Base Credit – 0.3 cents per kWh of electricity produced at a qualified nuclear facility and sold to an unrelated party after 2023 and before 2033.
  - Bonus Credit - 5x base credit.
  - Taxpayer receives the full credit only if the alteration and repair work on existing facilities comply with prevailing wage requirements. No RA requirement.
  - *Types of projects* – Nuclear facilities that were previously placed in service that produce electricity and sell it to unrelated parties after 2023 and before 2033.
- **Clean Fuel Production Credit – Sec. 45Z**
  - Credit is equal to the product of: (1) the applicable amount per gallon with respect to clean transportation fuel that is produced by the taxpayer at a qualified facility, and (2) the emissions factor for such fuel (as determined under § 45Z(b)).
  - With respect to facilities placed in service after Jan. 1, 2025, to receive the full credit, the taxpayer must comply with prevailing wage and registered apprentice requirements in connection with alteration or repair of such facility.
  - *Types of projects* – Facilities used for the production of clean transportation fuel. Such fuel must not have an emissions rate greater than 50 kilograms of CO<sub>2</sub> per mmBTU and must not be derived from coprocessing certain materials such as triglyceride.

