What You Need to Know About 25C Homeowner Energy Efficiency Tax Credits

February 10, 2025



25C Unique Product Identification Number (PIN) Update



Current Status of 25C PIN Rulemaking

U.S. Department of Treasury (Treasury)/Internal Revenue Service (IRS)

- December 2023 Treasury/IRS Release Proposed Guidance
- February 2024 AHRI Provides Comments on Proposed Guidance
- October 2024 Treasury/IRS Release Proposed Rule and Revenue Procedure Document
- December 2024 AHRI Provides Comments on Proposed Rule
- January 17, 2025 Treasury/IRS Release FAQ Document Updated with 25C PIN Questions and Answers

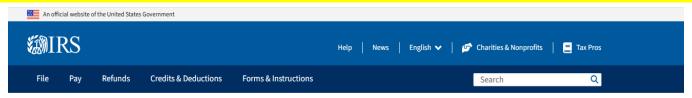
AHRI Comments to Treasury/IRS

- AHRI proposed the use of AHRI's Directory of Certified Product Performance to produce a 17-digit unique certificate number for all 25C HVACR and water heating qualifying products and systems
- AHRI would submit to Treasury and the IRS the list of AHRI unique certificate numbers issued by AHRI through an online portal on a date to be determined by Treasury and the IRS
- The use of an AHRI Directory-generated unique certificate number would allow compliance to begin for the 2025 tax filing season, as it would require no additional action by manufacturers

General 25C IRS Webpage link

Efficient Homes

https://www.irs.gov/credits-deductions/energy-efficient-home-improvement-credit



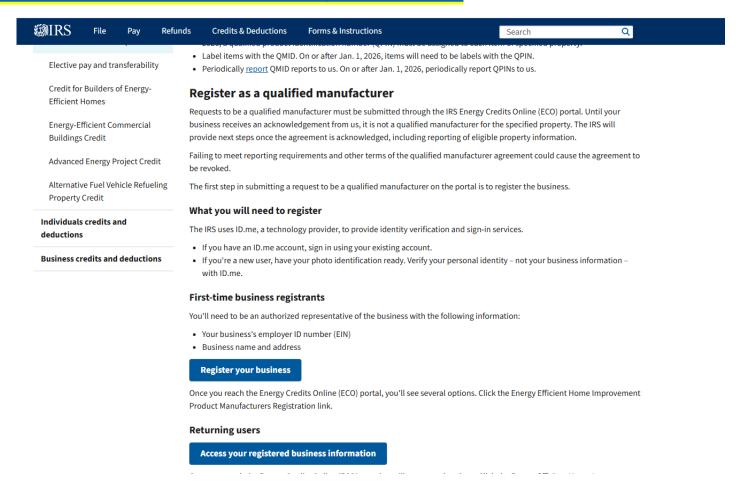
Home / Credits & Deductions / Clean energy and vehicle credits / Home energy credits / Energy Efficient Home Improvement Credit

Energy Efficient Home Improvement Credit

English | Español | 中文 (简体) | 中文 (繁體) | 한국어 | Русский | Tiếng Việt | Kreyòl ayisyen If you make qualified energy-efficient improvements to your home after Jan. 1, 2023, you may qualify for a tax credit up to Family, dependents and \$3,200. You can claim the credit for improvements made through 2032. students For improvements installed in 2022 or earlier: Use previous versions of Form 5695. Clean energy and vehicle credits Beginning Jan. 1, 2023, the credit equals 30% of certain qualified expenses, including: Clean vehicle credits · Qualified energy efficiency improvements installed during the taxable year Residential energy property Home energy credits · Home energy audits There are limits on the allowable annual credit and on the amount of credit for certain types of qualified expenses. The credit is **Energy Efficient Home** allowed for qualifying property placed in service on or after Jan. 1, 2023, and before Jan. 1, 2033. Improvement Credit The maximum credit you can claim each year is: Residential Clean Energy • \$1,200 for energy efficient property costs and certain energy efficient home improvements, with limits on exterior doors (\$250 per door and \$500 total), exterior windows and skylights (\$600) and home energy audits (\$150) **Energy Efficient Home** \$2,000 per year for qualified heat pumps, water heaters, biomass stoves or biomass boilers Improvement Credit qualified The credit has no lifetime dollar limit. You can claim the maximum annual credit every year that you make eligible manufacturer requirements improvements or install energy efficient property until 2033. However, beginning in 2025, for each item of qualifying property placed in service, no credit will be allowed unless the item was produced by a gualified manufacturer and the taxpayer reports Elective pay and transferability the PIN for the item on their tax return. Credit for Builders of Energy-The credit is nonrefundable, so you can't get back more on the credit than you owe in taxes. You can't apply any excess credit to

25C Qualified Manufacturer (QM) Portal Open

https://www.irs.gov/credits-deductions/energy-efficient-home-improvement-credit-qualified-manufacturer-requirements





25C Qualified Manufacturer (QM) Portal Open

As you saw on the website, manufacturers can now register with the IRS through IRS Energy Credits Online.

There is also a user guide for the registration process, see <u>Publication 6046 (Rev. 12-2024)</u>.

If users run into issues, they can contact the IRS through the secure messaging functionality in their IRS Energy Credits Online account.



Introduction to AHRI's 25C PIN Generation Tool Demonstration

