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KBKG TAX INSIGHT: CONGRESSIONAL LETTER URGES YEAR END CLEAN ENERGY TAX POLICIES

October has turned out to be a busy month for clean energy tax policies.

Yesterday, a letter signed by over 70% of House Democrats was delivered to Speaker Nancy Pelosi and House Majority Leader Steny Hoyer urging them to prioritize the inclusion of clean energy tax policies in negotiations around must-pass legislation this year. As the House Ways and Means Committee takes action on a clean energy tax package, the letter prioritizes tax incentives and extenders such as the following:

- Broad extension of the Investment Tax Credit for renewable energy and expansion to include energy storage and wind power
- Extension of tax credits and increase in cap to allow for plug-in electric vehicles

KBKG SERVICES

- Research & Development Tax Credit
- Cost Segregation
- Repair vs. Capitalization Review
- Fixed Asset Review
- 45L Credits for Energy Efficient Residential Developments
- 179D Incentive for Energy Efficient Commercial Buildings
- IC-DISC
- Transfer Pricing

- Extension of 30% Investment Tax Credit for offshore wind facilities through 2025
- Extension of 179D deduction for energy efficient commercial buildings
- Extension and updates for 25C incentive for homeowner efficiency improvements
- Extension and updates for Section 45L tax credits for energy efficient new homes and low-rise multifamily buildings.

Earlier this month, on October 11, 2019, Representatives Jimmy Gomez (D-CA) and Mike Kelly (R-PA), introduced the bipartisan New Home Energy Efficiency Act to retroactively extend the 45L Tax Credit. Four days later, the same bipartisan bill was introduced in the Senate by Senators Maggie Hassan (D-NH) and Susan Collins (R-ME). The bill proposes to retroactively extend the \$2,000 credit per home for 2018 through 2020. Additionally, starting in 2021, the tax credit would introduce more stringent energy efficiency requirements and increase the tax credit from \$2,000 to \$2,500 per qualified home or apartment unit.

October has turned out to be a busy month for clean energy tax policies and the next few weeks will be very telling, as Congress attempts to negotiate a must-pass spending bill by November 21. However, many anticipate that Congress may buy more time by passing another continuing resolution to avoid a government shutdown and continue the negotiations into December and possibly further.

In light of the recent developments, KBKG will host a webinar on November 19 with special guest speaker and Washington insider Ryan McCormick, Senior Vice President and Counsel at The Real Estate Roundtable. To hear his outlook on tax legislation (including clean energy tax policies) impacting the real estate industry, please register [here](#).

The Congressional letter urging action on clean energy tax incentives can be viewed [here](#).

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As the tax landscape continues to change, KBKG's team of experts can help navigate how to prepare in the coming months to ensure all available clean energy tax incentives are claimed in the past, present, and future.

Contact us today to find out more about the 45L tax credit or the 179D deduction and how it impacts you.