Note: *The draft you are looking for begins on the next page.*

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However, unexpected issues occasionally arise, or legislation is passed—in this case, we will post a new draft of the form to alert users that changes were made to the previously posted draft. Thus, there are never any changes to the last posted draft of the form and the final revision of the form. Forms and instructions are subject to OMB approval before they can be officially released, so we post drafts of them until they are approved. Drafts of instructions and publications usually have some additional changes before their final release. Early release drafts are posted at IRS.gov/DraftForms and remain there after the final release is posted at IRS.gov/LatestForms. Also see IRS.gov/Forms.

Most forms and publications have a page on IRS.gov: IRS.gov/Form1040 for Form 1040; IRS.gov/Pub501 for Pub. 501; IRS.gov/W4 for Form W-4; and IRS.gov/ScheduleA for Schedule A (Form 1040), for example, and similarly for other forms, publications, and schedules for Form 1040. When typing in a link, type it into the address bar of your browser, not a Search box on IRS.gov.

If you wish, you can submit comments to the IRS about draft or final forms, instructions, or publications at IRS.gov/FormsComments. Include "NTF" followed by the form or publication number (for example, "NTF1040", "NTFW4", "NTF501", etc.) in the body of the message to route your message properly. We cannot respond to all comments due to the high volume we receive and may not be able to consider many suggestions until the subsequent revision of the product, but we will review each "NTF" message.

If you have comments on reducing paperwork and respondent (filer) burden, with respect to draft or final forms, please respond to the relevant information collection through the Federal Register process; for more information, click here.

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2026

Instructions for Form 3468

Investment Credit

Section references are to the Internal Revenue Code unless otherwise noted.

Future Developments

For the latest information about developments related to Form 3468 and its instructions, such as legislation enacted after they were published, go to *IRS.gov/Form3468*.

What's New

Part IV, advanced manufacturing investment credit. The advanced manufacturing investment credit is equal to 35% of the qualified investment for property placed in service after 2025. See *Part IV*, later.

Reminders

Pre-filing registration. The IRS established a pre-filing registration process that must be completed prior to electing payment or transfer of the investment credit figured in Parts III, IV, V, and VI. See *Pre-filing Registration Requirement for Payments and Transfers*, later.

Facility information. Form 3468 and its instructions require separate information and computation of investment tax credit for each facility or property. See *Part I, Information on Qualified Property or Qualified Facility*, later.

Tax-exempt and governmental entities. Applicable entities (such as certain tax-exempt and governmental entities) can elect to treat certain investment credits as a payment of income tax. See *Applicable Entities*, later.

Transfer of certain investment tax credits. Eligible taxpayers, partnerships, and S corporations can elect to transfer all or part of the credit amount otherwise allowed as a general business credit to an unrelated third party in exchange for cash. Eligible taxpayers don't include applicable entities. See *Credit Transfers*, later.

Elective payment for advanced manufacturing investment credit. Eligible taxpayers, partnerships, and S corporations can elect to treat advanced manufacturing investment credit as a payment of tax. See *Elective Payment Under Section 48D(d)*, later.

Form 7220. If you're claiming a credit under section 48C in Part III, under section 48E in Part V, or under section 48 in Part VI, and you're claiming the increased credit amount for meeting the prevailing wage and apprenticeship (PWA) requirements, you must file Form 7220, Prevailing Wage and Apprenticeship (PWA) Verification and Corrections, for each facility, property, project, or energy storage technology, as applicable. See Form 7220 and its instructions for more information.

Part V, clean electricity investment credit. P.L. 119-21, commonly known as the One Big Beautiful Bill Act, has restricted material assistance from prohibited foreign entities, added restrictions related to prohibited foreign entities, and added a termination of the credit for wind or solar facilities placed in service after 2027 where the beginning of construction is after July 4, 2026. See *Part V*, later, for more information.

General Instructions

Purpose of Form

Use a separate Form 3468 to enter information and amounts in the appropriate parts to claim a credit for each investment property and any unused investment credit amount from cooperatives.

Complete a separate Form 3468 to claim an investment credit for each facility or property. You must complete Part I to report facility or property information and the appropriate part (Part II–VII) to compute your investment credit for such facility or property.

- Part II—Qualifying Advanced Coal Project Credit, section A.
- Part II—Qualifying Gasification Project Credit, section B.
- Part III—Qualifying Advanced Energy Project Credit.
- Part IV—Advanced Manufacturing Investment Credit.
- Part V—Clean Electricity Investment Credit, sections A through C.
- Part VI—Energy Credit, sections A through N.
- Part VII—Rehabilitation Credit.

Note: If you are an individual and file electronically, you must send in a paper Form 8453, U.S. Individual Income Tax Transmittal for an IRS e-file Return, if attachments are required for Form 3468.

Cooperatives. Patrons, including cooperatives that are patrons in other cooperatives, file a separate Form 3468 to enter any unused qualifying advanced coal project credit, qualifying gasification project credit, qualifying advanced energy project credit, advanced manufacturing investment credit, clean electricity investment credit, energy credit, or rehabilitation credits allocated from cooperatives. Enter "Unused Investment Credit from Cooperatives" on a separate Form 3468, Part I, line 3a, and enter the total unused amounts (if any) on the applicable part below.

- Part II, line 6.
- Part III, line 2.
- Part IV, line 2.
- Part V, section C, line 10.
- Part VI, section N, line 31.
- Part VII, line 2.

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Transferee partnerships, S corporations, and cooperatives. See *Transferees of Eligible Credits Under Section 6418* in the Instructions for Form 3800 for information concerning partnerships, S corporations, and cooperatives that purchase credits under section 6418.

Investment Credit Property

Investment credit property is any depreciable or amortizable property that qualifies for the qualifying advanced coal project credit, qualifying gasification project credit, qualifying advanced energy project credit, advanced manufacturing investment credit, clean electricity investment credit, energy credit, or rehabilitation credit.

You can't claim a credit for property that is:

- Used mainly outside the United States (except for property described in section 168(g)(4));
- Used by a governmental unit or foreign person or entity (see *Exceptions*, below);
- Used for lodging or in the furnishing of lodging (see section 50(b)(2) for exceptions); or
- Certain MACRS business property to the extent it has been expensed under section 179.

Exceptions

- Investment credit property used by a governmental unit or foreign person or entity for a qualified rehabilitated building leased to that unit, person, or entity and property used under a lease with a term of less than 6 months.
- A tax-exempt organization or governmental entity that is generally unable to claim an investment credit must complete and attach Form 3468 and Form 3800 to Form 990-T or other applicable income tax return to claim a section 48C credit, section 48E credit, or section 48 credit for which an election is made under section 6417 for any tax year. See the Instructions for Form 3800, at *IRS.gov/Form3800*.

Qualified Progress Expenditures

Qualified progress expenditures are those expenditures made before the property is placed in service and for which the taxpayer has made an election to treat the expenditures as progress expenditures.

Qualified progress expenditures is any property that is:

- Being constructed by or for the taxpayer,
- Has a normal construction period of 2 years or more, and
- Is reasonable to believe that the property will be new investment credit property in the hands of the taxpayer when it is placed in service.

The placed-in-service requirement doesn't apply to qualified progress expenditures.

Qualified progress expenditures for:

- Self-constructed property means the amount that is properly chargeable (during the tax year) to a capital account with respect to that property; or
- Non-self-constructed property means the lesser of (a) the amount paid (during the tax year) to another person for the construction of the property; or (b) the amount that represents the proportion of the overall cost to the taxpayer of the construction by the other person, which is properly attributable to that portion of the construction that is completed during the tax year.

Note: A lessor of progress expenditures property may not elect to treat a lessee (or a person who will be a lessee) as having made qualified progress expenditures.

For more information on qualified progress expenditures, see section 46(d) (as in effect on November 4, 1990) and Regulations section 1.46-5. For details on qualified progress expenditures for the rehabilitation credit, see section 47(d).

For details on qualified progress expenditures for the advanced manufacturing investment credit, see Regulations section 1.48D-2(j)(3).

At-Risk Limit for Individuals and Closely Held Corporations

The cost or basis of property for investment credit purposes may be limited if you borrowed against the property and are protected against loss, or if you borrowed money from a person who is related or who has an interest (other than as a creditor) in the business activity. The cost or basis must be reduced by the amount of the nonqualified nonrecourse financing related to the property as of the close of the tax year in which the property is placed in service. If, at the close of a tax year following the year property was placed in service, the nonqualified nonrecourse financing for any property has increased or decreased, then the credit base for the property changes accordingly. The changes may result in an increased credit or a recapture of the credit in the year of the change. See sections 49 and 465 for details.

Recapture of Credit

You may have to refigure the investment credit and recapture all or a portion of it if any of the following apply.

- You dispose of investment credit property before the end of 5 full years after the property was placed in service (recapture period).
- You change the use of the property before the end of the recapture period so that it no longer qualifies as investment credit property.
- The business use of the property decreases before the end of the recapture period so that it no longer qualifies (in whole or in part) as investment credit property.
- Any building to which section 47(d) applies will no longer be a qualified rehabilitated building when placed in service.
- Any property to which progress expenditures under section 48(b), 48A(b)(3), 48B(b)(3), 48C(b)(2), 48D(b)(5), or 48E applies will no longer qualify as investment credit property when placed in service.
- Before the end of the recapture period, your proportionate interest is reduced by more than one-third in an S corporation, partnership, estate, or trust that allocated the cost or basis of property to you for which you claimed a credit.
- Any facility, property, project, or energy storage technology under sections 48E or 48 that you claimed the increased credit amount for satisfying the PWA requirements and you fail to satisfy the prevailing

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wage requirements with respect to alteration or repair during the 5-year period beginning on the date the facility, property, project, or energy storage technology is placed in service. See Regulations sections 1.48E-3(e) and 1.48-13(c)(4).
- You return leased property (on which you claimed a credit) to the lessor before the end of the recapture period.
- A net increase in the amount of nonqualified nonrecourse financing occurs for any property to which section 49(a)(1) applied.
- You engage in an applicable transaction (involving the material expansion of semiconductor manufacturing capacity), as defined in section 50(a)(7)(D). See Regulations section 1.50-2 for more information.
- Emissions tier recapture event, where you fail to obtain an annual verification report by the deadline for filing your federal income tax return (including extensions) for any tax year in which an annual verification report is required under Regulations section 1.48-15(e)(1).
- Emissions tier recapture event, where the specified clean hydrogen production facility actually produced hydrogen through a process (or processes) that results in a lifecycle greenhouse gas (GHG) emissions rate that can only support a lower energy percentage than the energy percentage used to calculate the amount of the section 48 credit for such facility for the year in which the facility is placed in service.
- Emissions tier recapture event, where the specified clean hydrogen production facility actually produced hydrogen through a process (or processes) that results in a lifecycle GHG emissions rate of greater than 4 kilograms of CO_2e per kilogram of hydrogen. See Regulations section 1.48-15(f).
- Any qualified solar or wind facility property that ceases to be property eligible for the low-income communities bonus credit under section 48(e). See Regulations section 1.48(e)-1(n) for more information.
- Any qualified facility for which you claimed a section 48E credit that has a greenhouse gas emissions rate (as determined under Regulations section 1.45Y-5) of greater than 10 grams of CO_2e per kWh during the 5-year period beginning on the date such qualified facility is originally placed in service (5-year recapture period). See Regulations section 1.48E-4(f) for more information.
- Any qualified facility property that ceases to be property eligible for the low-income communities bonus credit under section 48E(h). See Regulations section 1.48E(h)-1(n) for more information.

Exceptions to recapture. Recapture of the investment credit doesn't apply to any of the following.

1. A transfer due to the death of the taxpayer.
2. A transfer between spouses or incident to divorce under section 1041. However, a later disposition by the transferee is subject to recapture to the same extent as if the transferor had disposed of the property at the later date.
3. A transaction to which section 381(a) applies (relating to certain acquisitions of the assets of one corporation by another corporation).
4. A mere change in the form of conducting a trade or business if:
   a. The property is retained as investment credit property in that trade or business, and
   b. The taxpayer retains a substantial interest in that trade or business.

A mere change in the form of conducting a trade or business includes a corporation that elects to be an S corporation and a corporation whose S election is revoked or terminated.

Any required increase in the amount due for certain credit recaptures, excessive payments, excessive credit transfers, and PWA penalty amounts are reported on Form 4255, Certain Credit Recapture, Excessive Payments, and Penalties. For more information, see Form 4255 and its instructions.

Specific Instructions

S Corporations, Partnerships, Estates, and Trusts

Complete and attach a separate Form 3468 to your return for each facility or property that you use in your trade or business, even if the following apply.

1. You cannot claim the credit.
2. You didn't elect to treat section 48D credit as a payment under section 48D(d).
3. You didn't elect to transfer section 48C credit, section 48E credit, or section 48 credit (or portion of such credits) under section 6418.

To figure the cost or basis of each facility or property to pass through to the individual shareholders, partners, or beneficiaries, complete required facility information lines of Part I and only the following.
- Part II, lines 1a, 2a, 3a, 4a, 5a, and 6 (if applicable).
- Part III, lines 1a, 1d, 1e, 1f, and 2 (if applicable).
- Part IV, lines 1a, 1b, and 2 (if applicable).
- Part V, lines 1a, 1i, 3a, 6a, and 10 (if applicable).
- Part VI, lines 1a, 3a, 3e, 5a, 5c, 5f, 5o, 7a, 7j, 9a, 9b, 11d, 11h, 13a, 15a, 17a, 17e, 19a, 21a, 23a, 23e, 25a, 25d, 25g, 25j, 28a, and 31 (if applicable).
- Part VII, lines 1a through 1g, 1k, 1m, and 2 (if applicable).

Attach a statement to Schedule K-1 that provides this necessary information and distributive share of amounts that each partner, shareholder, or beneficiary will need to compute their share of the credit related to investment property on their Form 3468. See the instructions for Form 1065, U.S. Return of Partnership Income; Form 1120-S, U.S. Income Tax Return for an S Corporation; Form 1041, U.S. Income Tax Return for Estates and Trusts; and Schedules K and K-1 for details.

If you reported any unused investment credits allocated from cooperatives on a Form 3468, Part I, line 3a,

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"Unused Investment Credit from Cooperatives," see the reporting instructions for Schedules K and K-1 of Form 1120-S, Form 1065, or Form 1041.

Elective payment election under section 48D. If you're electing a payment under section 48D, Part IV, you must also report the current credit amount for such qualified investment on the applicable total line of Form 3468 and the applicable line of Form 3800, Part III.

Credit transfer election under section 6418. If you elected to transfer section 48C credit (or a portion of such credits), section 48E credit (or a portion of such credits), or section 48 credit (or a portion of such credits) under section 6418(c), you must complete all applicable parts and lines of Form 3468 (including the registration number on line 1 of Part I) to compute the credit amount with respect to the facility or property.

You must report any credit amount for a facility or property on Part III, line 3; Part V, line 11; or Part VI, line 32 of Form 3468, on the applicable lines of Form 3800, Part III, and attach both to your return.

Caution: This information and the partner's, shareholder's, or beneficiary's distributive share of amounts should not include any investment credits for which an elective payment election was made under section 48D(d) or a transfer election was made under section 6418.

Tip: See the Instructions for Form 3800 for determining credits allowed (in the case of estates and trusts), reporting of elective payment amount of section 48D credit and transferred amount and nontransferred amount (if any) of section 48C, section 48E, and section 48 credits on Schedules K and K-1 of Form 1065, Form 1120-S, and Form 1041.

Applicable Entities

Applicable entities (as defined under section 6417(d)(1)(A)) that generally don't benefit from income tax credits can elect to treat the business credit under sections 48C, 48E, and 48 as a payment of income tax. Resulting overpayments may result in refunds.

Applicable entities making the elective payment election for the investment credits under section 48C, section 48E, or section 48 must file the following.

- Form 3468 with any required statements.
- Form 3800, General Business Credit.
- Form 990-T, Exempt Organization Business Income Tax Return, or other applicable tax return.

For a discussion of what is an applicable entity, see *Applicable entity making an EPE on IRA 2022 credits* in the Instructions for Form 3800. For more information on elective payment elections under section 6417, see *Elective Payment of Certain Business Credits Under Section 6417 or Section 48D* in the Instructions for Form 3800.

Elective Payment Under Section 48D(d)

For qualified property placed in service after 2022 that is part of an advanced manufacturing facility, a taxpayer can elect to treat the credit as a payment against tax. A partnership or S corporation can elect to receive the credit as a payment. The following must be filed with your return to make an elective payment election under section 48D.

- Form 3468.
- Form 3800.

For more information on elective payment elections under section 48D see *Elective Payment of Certain Business Credits Under Section 6417 or Section 48D* in the Instructions for Form 3800.

Credit Transfers

Under section 6418, eligible taxpayers, partnerships, and S corporations can elect to transfer all or part of the credit figured in Part III, Part V, and Part VI to an unrelated third party in exchange for cash. For more information on credit transfers, see *Transfer of Eligible Credits Under Section 6418* in the Instructions for Form 3800.

Pre-filing Registration Requirement For Payments and Transfers

Before you file your tax return, if you intend to make an elective payment election or transfer election on Form 3800 for the credit in Part III, IV, V, or VI, you must complete a pre-filing registration for each property or facility. To register, go to *IRS.gov/Register for elective payment or transfer of credits*. See Pub. 5884, Inflation Reduction Act (IRA) and CHIPS Act of 2022 (CHIPS) Pre-Filing Registration Tool. Also see *Registering for and Making EPEs and Transfer Elections* in the Instructions for Form 3800.

Part I—Information on Qualified Property or Qualified Facility

If you're claiming an investment credit with respect to a facility or property, use the table below to enter the facility information that corresponds to your credit(s).

If You Are Completing. . .	Then Complete Part I . . .
Part II	Lines 1, 3a, 3b, 3c, 3d, 4, 5, and 13
Part III	Lines 1, 3a, 3b, 3c, 3d, 4, 5, and 8
Part IV	Lines 1, 3a, 3b, 3c, 3d, 4, 5, and 13
Part V	Lines 1 and 2b–13
Part VI	Lines 1 and 3–13 (and line 2a(i) and 2a(ii) for credit figured in section M)
Part VII	Lines 1, 3a, 3b, 3c, 3d, 4, 5, and 13

Line 1

Enter your IRS-issued registration number for the facility or property that you received from the IRS prior to making an election under section 48D(d), section 6417, or section 6418. See *Pre-filing Registration Requirement For Payments and Transfers*, earlier, for more information.

For Part IV filers. Enter the IRS-issued registration number of the facility if you're the owner or the IRS-issued registration number of the qualified investment if you're not the owner of the facility.

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Line 2a

For Part VI, Section M filers. Enter the facility's emission value or rate (kg of CO2e per kg of qualified clean hydrogen) on line 2a(i) and the DOE control number on line 2a(ii).

Provisional emissions rate. As part of the process to petition for a provisional emissions rate (PER), you must have submitted an application to the DOE for an emissions value that you used to figure your energy credit for a clean hydrogen production facility. See *Election to treat clean hydrogen production facilities as energy property*, later, for reporting requirements.

Line 2b

For Part V, Section A filers. Check the applicable box on line 2b(i) and/or 2b(ii) if you're claiming a section 48E credit for a qualified facility, you petitioned for a PER, have received an emissions value from the DOE, and/or used a designated lifecycle analysis (LCA) model to determine an emissions value. Enter the DOE control number on line 2b(iii), if applicable.

You must also attach the PER petition for the facility for which the PER petition relates to the return. The PER petition must contain an emissions value and, if applicable, the associated letter from the DOE. If an emissions value is determined using a designated LCA model(s), you must also attach information to support your use of the LCA model(s). See Regulations section 1.48E-5 and Revenue Procedure 2025-14, 2025-7 I.R.B. 770 available at *IRS.gov/irb/2025-07_IRB#REV-PROC-2025-14* for more information.

PER. In the case of a facility for which an emissions rate has not been established by the IRS, if you're the owner of such facility, you can file a petition with the IRS for determination of a PER.

As part of the process to petition for a PER, you must have submitted an application to the DOE for an emissions value that you used to figure your clean electricity investment credit for a qualified facility.

LCA. Alternatively, an emissions value can be determined for a facility by using the most recent version of an LCA model, as of the time the PER petition is filed, that has been designated by the IRS for such use. See Regulations section 1.45Y-5(h)(6) for more information.

Emissions value. An emissions value can be obtained from the DOE or by using the LCA model designated by the IRS. An emissions value will be based on an analytical assessment of the emissions rate associated with the facility performed by one or more of the National Laboratories, in consultation with other federal agency experts as appropriate.

Line 3a

Enter the type of facility or property for which you are claiming the investment credit.

Patrons, including cooperatives that are patrons in other cooperatives reporting any unused investment credits allocated from cooperatives, enter the following statement on line 3a, "Unused Investment Credit from Cooperatives." See *Cooperatives*, earlier, for more information.

Line 3b

If the owner of the facility in Part II, III, IV, V, VI, or VII is different from the filer, include the owner's name on line 3b(i) and the owner's taxpayer identification number (TIN) on line 3b(ii).

Lines 3c and 3d

On line 3c, enter the address of the facility or property. On line 3d, enter the latitude and longitude coordinates of the facility or property.

Line 3e

For Part V, Section A, or Part VI filers. Check the box if the facility or energy project includes qualified interconnection property under section 48E(b)(1)(B)(i) or section 48(a)(8). See *Qualified interconnection property* for a section 48E credit or *Interconnection property* for a section 48 credit, later, for more information.

Lines 7 and 8

For an increased tax credit amount under sections 48C, 48E, or 48, you must meet the PWA requirements or one of the limited exceptions, if applicable. Go to *Filers Completing Part III* or *Filers Completing Part V or VI*, as applicable, to determine which box to check for lines 7 and 8.

Note: The PWA requirements generally apply to construction, alteration, or repair work, including work by contractors and subcontractors. This also includes work constituting re-equipping, expansion, or establishment of a section 48C qualifying advanced energy project. There are certain exceptions to these requirements.

For further information, see PWA requirements available at *IRS.gov/credits-deductions/prevailing-wage-and-apprenticeship-requirements*, including frequently asked questions.

Filers Completing Part III

For an increased tax credit under section 48C, you must meet the PWA requirements with respect to any qualifying advanced energy project.

As part of a section 48C(e) application, an applicant must confirm that it intends to meet the PWA requirements by submitting the "Initial PWA Confirmation" statement to the Department of Energy (DOE). When the taxpayer notifies the DOE that it has placed the project in service, the taxpayer must also confirm that it met the PWA requirements by submitting the "Final PWA Confirmation" statement to the DOE.

If a taxpayer doesn't submit an Initial and Final PWA Confirmation statement to the DOE, the taxpayer will be required to claim the section 48C credit at the 6% credit rate and the remainder of the section 48C credits allocated to the project will be forfeited.

Prevailing wage requirements. Under the prevailing wage requirements, you must ensure that laborers and mechanics employed by you (or any contractor or subcontractor) are paid wages at rates not less than

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the applicable prevailing wage rate for any re-equipping, expansion, or establishment that is part of the qualifying advanced energy project.

For information on how to correct a failure to satisfy the prevailing wage requirements, and the penalty related to the failure, see section 45(b)(7)(B), and the Instructions for Forms 4255 and 7220.

Apprenticeship requirements. The apprenticeship requirements include three components: a labor hours requirement, a ratio requirement, and a participation requirement.

- Under the labor hours requirement, the taxpayer must ensure that, depending on when construction began, 12.5% to 15% of the total labor hours are performed by qualified apprentices from a registered apprenticeship program for the re-equipping, expansion, or establishment of a qualifying advanced energy project.
- Under the ratio requirement, the taxpayer must ensure that the applicable ratio of apprentices to journeyworkers established by the registered apprenticeship program is met for apprentices working on the qualifying advanced energy project each day.
- Under the participation requirement, any taxpayer (or contractor or subcontractor) that employs four or more individuals must employ one or more qualified apprentices from a registered apprenticeship program to perform the work.

See sections 48C(e)(6), 45(b)(8), T.D. 9998 available at *IRS.gov/irb/2024-34_IRB#TD-9998*, and Notice 2023-18 for more information.

For information on how to correct a failure to satisfy the apprenticeship requirements and the penalty related to the failure, see section 45(b)(8) and the Instructions for Forms 4255 and 7220.

For more information on the PWA requirements, including applicable exceptions, see *IRS.gov/PWAFAQs*.

Lines 7 and 8. For line 7, check box 7c. For line 8, check box 8a or 8c, as appropriate.

Filers Completing Part V or VI

For an increased tax credit under section 48E or 48, you must meet the PWA requirements or one of the limited exceptions.

However, if you do not meet the PWA requirements or one of the limited exceptions, then you will qualify for the base 6% credit rate but not for the increased rate.

See Frequently asked questions about the PWA under the Inflation Reduction Act available at *IRS.gov/PWAFAQs*.

Qualified facility under section 48E(a)(2)(A)(ii). A qualified facility meets the requirements of an increased tax credit if it's any one of the following.

1. It has a maximum net output of less than 1 megawatt (MW) (as measured in alternating current (ac)).
2. Construction began before January 29, 2023.
3. The qualified facility meets the PWA requirements.

Energy storage technology under section 48E(a)(2)(B)(ii). Energy storage technology meets the requirements of an increased tax credit if it's any one of the following.

1. It has a capacity of less than 1 MW.
2. Construction began before January 29, 2023.
3. The energy storage technology meets the PWA requirements.

Energy project under section 48(a)(9)(A)(i). An energy project is a project consisting of one or more energy properties that are part of a single project under section 48.

A project meets the requirements of an increased tax credit if it's any one of the following.

1. It has a maximum net output of less than 1 MW of electrical (as measured in ac) or thermal energy.
2. Construction began before January 29, 2023.
3. The energy project meets the PWA requirements.

Beginning of construction. There are two methods that can be used to establish that construction of a qualified facility, an energy storage technology, or an energy project has started: the physical work test and the 5% safe harbor. Although both methods can be used, only one method is needed to establish that construction has begun.

Physical work test. Under this test, construction begins when physical work of a significant nature begins, provided that the filer maintains a continuous program of construction.

5% safe harbor. Using this safe harbor, construction will be considered as having begun if:

1. A taxpayer pays or incurs (within the meaning of Regulations section 1.461-1(a)(1) and (2)) 5% or more of the total cost, and
2. Thereafter, the taxpayer makes continuous efforts to complete the facility, energy storage technology, or energy project.

Note: See T.D. 9998 available at *IRS.gov/irb/2024-34_IRB#TD-9998* and Regulations section 1.45-7 and 1.45-8 for detailed information.

Caution: For applicable wind or solar facilities placed in service after 2027, where the beginning of construction is after July 4, 2026, no credit will be allowed.

Prevailing wage requirements. To meet the prevailing wage requirements, a taxpayer must ensure that any laborers and mechanics employed by the taxpayer or any contractor or subcontractor in the construction (and for the 5-year recapture period for alteration or repair) are paid wages at rates not less than the applicable prevailing wage rate.

For information on how to correct a failure to satisfy the prevailing wage requirements and the penalty related to the failure, see section 45(b)(7)(B) and the Instructions for Forms 4255 and 7220.

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Apprenticeship requirements. The apprenticeship requirements include three components: a labor hours requirement, a ratio requirement, and a participation requirement.

- Under the labor hours requirement, the taxpayer must ensure that, depending on when construction began, 10% to 15% of the total labor hours are performed by qualified apprentices from a registered apprentice program for the construction of a property, facility, or energy storage technology.
- Under the ratio requirement, the taxpayer must ensure that the applicable ratio of apprentices to journeyworkers established by the registered apprenticeship program is met for apprentices working on the property, facility, or energy storage technology each day.
- Under the participation requirement, any taxpayer (or contractor or subcontractor) that employs four or more individuals must employ one or more qualified apprentices from a registered apprenticeship program to perform the work.

For information on how to correct a failure to satisfy the apprenticeship requirements and the penalty related to the failure, see section 45(b)(8) and the Instructions for Forms 4255 and 7220.

For more information on the PWA requirements, including applicable exceptions, see *IRS.gov/PWAFAQs*.

Lines 7 and 8. For line 7 check the applicable box.

For line 8, check box 8b or 8c, as appropriate.

Increased Credit Amount Statement

If you checked the box on line 7a or 8b to claim an increased tax credit amount in Part V or Part VI, you must also attach a statement for each facility, energy storage technology, or energy project, to your return. The statement should include the following.

1. Your name, taxpayer identification number, the facility description (including the owner information, if different from the filer from Part I, line 3b(i) and 3b(ii)), and, if applicable, the IRS-issued registration number from Part I, line 1.
2. If you checked the box on line 7a because the 1 megawatt exception was met, a statement that the qualified facility or energy project has a maximum net output of less than 1 MW (as measured in ac) or equivalent thermal energy.
3. If you checked the box on line 7a because the beginning of construction exception was met, for the facility, energy storage technology, or energy project that began construction before January 29, 2023, indicate that you met the continuity requirement under the physical work test or the 5% safe harbor to establish the beginning of construction.
4. If you checked the box on line 8b because you satisfied the PWA requirements, complete Form 7220 and attach it to your return.
5. A declaration, applicable to the statement and any accompanying documents, signed by you, or signed by a person currently authorized to bind you in such matters, in the following form: "Under penalties of perjury, I declare that I have examined this statement, including accompanying documents, and to the best of my knowledge and belief, the facts presented in support of this statement are true, correct, and complete."

Line 9

Notice 2023-38 explains rules for how filers receive a domestic content bonus credit amount for certain investments in section 48E facilities or energy storage technology, or section 48 energy projects. This notice describes certain rules regarding the domestic content bonus credit requirements, related recordkeeping, and certification requirements. It also describes a safe harbor regarding the classification of certain components in representative types of qualified facilities, energy projects, or energy storage technologies. See Notice 2023-38, 2023-22 I.R.B. 872 available at *IRS.gov/irb/2023-22_IRB#NOT-2023-38*.

Notice 2024-41 modifies Notice 2023-38, in three ways.

1. It expands the list of applicable projects to include hydropower and pumped hydropower storage facilities.
2. It redesignates the utility scale photovoltaic system applicable project as the ground-mount and rooftop photovoltaic system.
3. It includes certain manufactured product components with respect to the previously listed applicable projects.

It also provides a new safe harbor that taxpayers may elect to use to classify applicable project components and to calculate the domestic cost percentage in an applicable project (new elective safe harbor) to qualify for the domestic content bonus credit amounts. See Notice 2024-41, 2024-24 I.R.B. 1615 available at *IRS.gov/irb/2024-24_IRB#NOT-2024-41*, for more information.

Notice 2025-08 modifies the New Elective Safe Harbor in Notice 2024-41 by updating the tables in sections 4.04(1)-(3), clarifying the rules and defined terms, reclassifying the Manufactured Products and Manufactured Product Components, and providing new associated cost percentages for those components. Notice 2025-08 further preserves the modifications completed in section 3 of Notice 2024-41 of Table 2 in Notice 2023-38. See Notice 2025-08, 2025-8 I.R.B. 800 available at *IRS.gov/irb/2025-08_IRB#NOT-2025-8*, for more information.

Domestic content bonus credit amount. Section 48E(a)(3)(B) provides a domestic content bonus credit amount for a section 48E qualified investment in a qualified facility or energy storage technology. Section 48(a)(12)(C) provides a domestic content bonus credit amount for an energy project. Both section 48E(a)(3)(B) and section 48(a)(12)(C) increase the energy percentage provided in section 48E(a)(2) or 48(a)(2) by 2% for meeting the domestic content requirement (see below) or 10% for meeting the domestic content requirement **and**

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the requirements described under lines 7 and 8, for *Filers Completing Part V or VI*.

Domestic content requirement. The domestic content requirement is met with respect to any qualified investment or energy project under Notice 2023-38 (as modified by Notice 2024-41 and Notice 2025-08) if the taxpayer certified to the Secretary (see *Domestic Content Certification Statement*, later) that any steel, iron, or manufactured product that is a component of the facility (upon completion of construction) was produced in the United States. A qualified facility meets the domestic content requirement if the steel or iron requirements and the manufacturing products requirements are met. See Notice 2023-38, Notice 2024-41, and Notice 2025-08 for definitions and more information.

Caution: The section 48E domestic content bonus credit for a qualified investment with respect to a qualified facility or energy storage technology has a new adjusted percentage for manufactured products (including components) based on the beginning of construction date. See the following table for the requirements.

	Beginning of Construction			
	On or Before 06/15/25	From 06/16/25 to 12/31/25	In 2026	After 2026
Total costs of all products mined, produced, or manufactured in the United States	40%	45%	50%	55%
Total costs of all products mined, produced, or manufactured in the United States for qualified offshore wind facilities	20%	27.5%	35%	

Line 9. Check the appropriate box on line 9. If you checked line 9c, you can't claim the domestic content bonus credit amount.

Domestic Content Certification Statement

If you checked line 9a or 9b to claim a domestic content bonus credit amount in Part V or Part VI, you must also attach a domestic content certification statement to Form 3468 at the time of filing your return for each applicable project. The domestic content certification statement should include the following.

1. Your name and taxpayer identification number shown on the return.
2. The facility description (including the owner information, if different from the filer from Part I, line 3b(i) and 3b(ii)) and the IRS-issued registration number (if applicable) of the applicable project from Part I, line 1.
3. A statement that any steel, iron, or manufactured product that is a component of the facility (upon completion of construction) was produced in the United States (as determined under section 661 of Title 49, Code of Federal Regulations).
4. A statement if the taxpayer is affirming that they are electing to rely on the New Elective Safe Harbor per Notice 2024-41.
5. A declaration applicable to the statement and any accompanying documents signed by you or signed by a person currently authorized to bind you in such matters, in the following form: "Under penalties of perjury, I declare that I have examined the information contained in this Domestic Content Certification Statement and to the best of my knowledge and belief, it is true, correct, and complete."

Line 10

Notice 2023-29 explains the application of rules that a filer must satisfy to qualify for the energy community bonus credit under sections 48E and 48. The notice describes certain rules for determining what constitutes an energy community as defined in section 45(b)(11)(B) and for determining whether a qualified facility, an energy storage technology, or an energy project is located in an energy community. See Notice 2023-29, 2023-29 I.R.B. 1 available at *IRS.gov/irb/2023-29_IRB#NOT-2023-29*.

Notice 2023-45 clarifies section 5.02(3) of Notice 2023-29 which describes requirements for a brownfield site safe harbor for projects with a nameplate capacity of not greater than 5 MW in alternating current. This notice also describes a prior modification that was made via an online update pertaining to the special rule for beginning of construction under section 4.01(2) of Notice 2023-29. See Notice 2023-45, 2023-29 I.R.B. 317 available at *IRS.gov/irb/2023-29_IRB#NOT-2023-45*.

Notice 2023-47 has information that taxpayers may use to determine whether they meet certain requirements under the Statistical Area Category or the Coal Closure Category as described in Notice 2023-29 to qualify for energy community bonus credit rates under section 48E or section 48. See Notice 2023-47, 2023-29 I.R.B. 318 available at *IRS.gov/irb/2023-29_IRB#NOT-2023-47*.

Notice 2024-30 clarifies Notice 2023-29 (which is clarified by Notice 2023-45) by expanding the nameplate capacity attribution rule under section 4.02(1)(b) of Notice 2023-29 to include additional attribution property and by adding two 2017 North American Industry Classification System (NAICS) industry codes to the table in section 3.03(2) of Notice 2023-29 for purposes of determining the Fossil Fuel Employment rate (as defined in section 3.03(2) of Notice 2023-29). See Notice 2024-30, 2024-16 I.R.B. 878 available at *IRS.gov/irb/2024-16_IRB#NOT-2024-30*.

Notice 2024-48, Notice 2025-31, and Notice 2026-39 publish information that taxpayers may use to determine whether they meet certain requirements under the Statistical Area Category or Coal Closure Category as described in Notice 2023-29. See Notice 2024-48, 2024-26 I.R.B. 1749 available at *IRS.gov/irb/2024-26_IRB#NOT-2024-48*; Notice 2025-31, 2025-28 I.R.B. 14 available at

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IRS.gov/irb/2025-28_IRB#NOT-2025-31; and Notice 2026-39, 2026-27 I.R.B. 1 available at IRS.gov/irb/2026-27_irb#NOT-2026-39.

Energy community bonus credit rate. An energy community bonus credit rate increase is allowed under section 48E(a)(3)(A) for any qualified investment (with respect to a qualified facility or energy storage technology) that is placed in service during the tax year within an energy community (EC Project). An energy community bonus credit rate increase is also allowed under section 48(a)(14) for an energy project eligible for the credit under section 48 that is placed in service during the tax year within an EC Project.

Section 45(b)(11)(B) provides an energy community bonus credit amount for a section 48E qualified investment in a facility or energy storage technology or section 48 energy project by increasing the percentage provided in section 48E(a)(2) or 48(a)(2) by 2% for meeting the EC Project requirement (see below) or 10% for meeting the EC Project requirement **and** the requirements described under lines 7 and 8, for *Filers Completing Part V or VI*.

EC Project requirements. The EC Project requirement is met when a section 48E (a qualified facility or energy storage technology) or section 48 (an energy project) is placed in service within an energy community.

Energy community. Energy community means the following:

1. A brownfield site as defined in subparagraphs (A), (B), and (D)(ii)(III) of section 101(39) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601(39));
2. A metropolitan statistical or nonmetropolitan statistical area that:
   a. Has (or, at any time during the period beginning after 2009, had) 0.17% or greater direct employment or 25% or greater local tax revenues related to the extraction, processing, transport, or storage of coal, oil, or natural gas (as determined by the Secretary); and
   b. Has an unemployment rate at or above the national average unemployment rate for the previous year (as determined by the Secretary); or
3. A census tract or a census tract directly adjoining to such census tract in which:
   a. After 1999, a coal mine has closed; or
   b. After 2009, a coal-fired electric generating unit has been retired.

Line 10. Check the appropriate box on line 10. If you checked the box on line 10c, you can't claim the energy community bonus credit amount.

Lines 11 and 12

IRA 2022 added new section 48E(h) and 48(e), referred to as the low-income communities bonus credit program, to increase the amount of the credit determined under section 48E(a) and section 48(a) with respect to an eligible property.

If you're claiming a low-income communities bonus credit in Part V or Part VI, go to *Filers Completing Part V* or *Filers Completing Part VI*, as applicable, to determine the requirements that must be met to qualify for the credit and to identify which box to check for lines 11 and 12.

Filers Completing Part V

IRA 2022 added new section 48E(h) to authorize the Secretary to establish a program for calendar years 2025 and subsequent years to award allocations of capacity limitation that increase the amount of the clean electricity investment credit determined under section 48E(a) with respect to eligible property that is part of an applicable facility.

Section 48E(h)(1) provides for an increase of either 10% or 20% to the credit under section 48E(a)(2) for facilities that receive an allocation of capacity limitation. The low-income communities bonus credit is only eligible for Part V, Section A filers.

T.D. 10025 provides final regulations regarding clean electricity low-income communities bonus credits amounts for calendar year 2025 and subsequent years.

Applicable facility. Applicable facility means any qualified facility under section 48E(b)(3) that:

1. Is not described in section 45Y(b)(2)(B) (related to fuel combustion and gasification facilities).
2. Has a maximum net output of less than 5 MW ac, and
3. Is one of the following:
   a. Located in a low-income community (as defined in section 45D(e));
   b. Located on Indian land, as defined in section 2601(2) of the Energy Policy Act of 1992 (25 U.S.C. 3501(2));
   c. Part of a qualified low-income residential building project; or
   d. Part of a qualified low-income economic benefit project.

Applicable percentage. The increased percentage with respect to categories of applicable facilities is as follows:

Percentage	For an . . .
10%	Eligible property located in a low-income community (as defined in section 45D(e))
10%	Eligible property located on Indian land, as defined in section 2601(2) of the Energy Policy Act of 1992 (25 U.S.C. 3501(2))
20%	Eligible property that is part of a qualified low-income residential building project
20%	Eligible property that is a qualified low-income economic benefit project

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Eligible property. Eligible property means a qualified investment with respect to any applicable facility.

Credit reduction. The increase in the credit will not exceed the amount that bears the same ratio as the environmental justice capacity limitation allocated to such facility bears to the total megawatt nameplate capacity of such facility, as measured in direct current.

Lines 11 and 12. Check the appropriate box on line 11. If you checked the box on line 11a, 11b, 11c, or 11d, you must enter the section 48E(h) control number on line 11e.

If you are a pass-through entity, enter the originating pass-through entity's EIN, if applicable, on line 11f.

You must also check the appropriate box on line 12 and enter the nameplate capacity for your facility.

Filers Completing Part VI

If you applied for and received an allocation from the low-income communities bonus credit program from either 2023 or 2024, you may increase the amount of your energy credit for a qualified solar or wind facility computed in Part VI, sections B, F, I, or L. Only filers who applied for and received an allocation of environmental justice solar and wind capacity limitation and properly placed in service a qualified solar or wind facility are eligible to claim an increased credit.

Rev. Proc. 2023-27 provided the process under section 48(e) to apply for an allocation of capacity limitation for 2023. This revenue procedure also provides the placed-in-service reporting requirements for taxpayers who received an allocation from the 2023 Program year.

Rev. Proc. 2024-19 provides the process under section 48(e) to apply for an allocation of environmental justice solar and wind capacity limitation for the 2024 Program year. For taxpayers who received an allocation for the 2024 Program year, Rev. Proc. 2024-19 also describes how the capacity limitation for the 2024 Program year will be divided across the facility categories. See Rev. Proc. 2024-19, 2024-16 I.R.B. 899 available at *IRS.gov/irb/2024-16_IRB#REV-PROC-2024-19* for more information.

T.D. 9979 contains final regulations concerning the low-income communities bonus credit program. See T.D. 9979 available at *IRS.gov/irb/2023-35_IRB#TD-9979* and Regulations section 1.48(e)-1 for more information.

Low-income communities bonus credit amount. Section 48(e) provides for an increase of either 10% or 20% to the credit under section 48(a)(2) for qualified solar and wind facilities that received an allocation of capacity limitation from 2023 or 2024. Additionally, if you received an allocation you must also have the control number associated with that allocation.

The increased energy percentage with respect to categories of eligible property and limitation is:

Percentage	For an . . .
10%	Eligible property located in a low-income community (as defined in section 45D(e))
10%	Eligible property located on Indian land, as defined in section 2601(2) of the Energy Policy Act of 1992 (25 U.S.C. 3501(2))
20%	Eligible property that is part of a qualified low-income residential building project
20%	Eligible property that is a qualified low-income economic benefit project

Eligible property and requirements. For purposes of this increase, eligible energy property includes:

- Wind facility property defined in section 45(d)(1) for which an election was made to treat qualified facilities as energy property;
- Solar energy property to generate electricity defined in section 48(a)(3)(i);
- Qualified small wind energy property defined in section 48(a)(3)(vi); and
- Energy storage technology described in section 48(a)(3)(A)(ix) installed in connection with the above facility properties.

The property also has to meet the following eligibility requirements:

1. A maximum net output of less than 5 MW as measured in alternating current; and
2. The facility is one of the following:
   a. Located in a low-income community (as defined in section 45D(e));
   b. Located on Indian land, as defined in section 2601(2) of the Energy Policy Act of 1992 (25 U.S.C. 3501(2));
   c. Part of a qualified low-income residential building project; or
   d. Part of a qualified low-income economic benefit project.

Credit reduction. The increase in the credit will not exceed the amount that bears the same ratio as the environmental justice solar and wind capacity limitation allocated to such facility bears to the total megawatt nameplate capacity of such facility, as measured in direct current or in the case of wind, alternating current will be treated as direct current.

Lines 11 and 12. Check the appropriate box on line 11. If you checked the box on line 11a, 11b, 11c, or 11d, you must enter the section 48(e) control number on line 11e.

If you are a pass-through entity, enter the originating pass-through entity's EIN, if applicable, on line 11f.

You must also check the appropriate box on line 12 and enter the nameplate capacity or storage capacity installed in connection with your property.

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Line 13

Generally, for purposes of eligibility for and figuring the amount of the investment credit, a lessor of property may elect to treat the lessee as having acquired the property. Once the election is made, the lessee will be entitled to an investment credit for that property for the tax year in which the property is placed in service and the lessor will not be entitled to such a credit.

If the leased property is disposed of or otherwise ceases to be investment credit property, the property will generally be subject to the recapture rules for early dispositions.

The lessor will provide the lessee with all the information needed to complete Part VII, lines 1a through 1g and 1k, if applicable.

For information on making the election, see section 48(d) (as in effect on November 4, 1990) and related regulations. For limitations, see sections 46(e)(3) and 48(d) (as in effect on November 4, 1990).

Line 13b

Enter the lessor's full address on line 13b. Enter the address of the lessor's principal office or place of business. Include the suite, room, or other unit number after the street address. If the post office doesn't deliver mail to the street address and the lessor has a P.O. box, show the box number instead.

Do not use the address of the registered agent for the state in which the lessor is incorporated. For example, if a business is incorporated in Delaware or Nevada and the lessor's principal place of business is located in Little Rock, AR, you should enter the Little Rock address.

If the lessor receives its mail in care of a third party (such as an accountant or attorney), enter on the street address line "C/O" followed by the third party's name and street address or P.O. box.

Part II—Qualifying Advanced Coal Project Credit and Qualifying Gasification Project Credit

Section A—Qualifying Advanced Coal Project Credit Under Section 48A

A qualifying advanced coal project is a project that:

- Uses advanced coal-based generation technology (as defined in section 48A(f)) to power a new electric generation unit or to refit or repower an existing electric generation unit (including an existing natural-gas-fired combined cycle unit);
- Has fuel input that, when completed, will be at least 75% coal;
- Has an electric generation unit or units at the site that will generate at least 400 MW;
- Has a majority of the output that is reasonably expected to be acquired or utilized;
- Is to be constructed and operated on a long-term basis when the taxpayer provides evidence of ownership or control of a site of sufficient size;
- Will be located in the United States; and
- Includes equipment that separates and sequesters at least 65% (70% in the case of an application for reallocated credits) of the project's total carbon dioxide emissions for project applications described in section 48A(d)(2)(A)(ii).

For more information on the third allocation round for section 48A credits, see Notice 2020-88, 2020-53 I.R.B. 1795 available at *IRS.gov/irb/2020-53_IRB#NOT-2020-88*.

Basis. The qualified investment for any tax year is the basis of eligible property placed in service by the taxpayer during the tax year that is part of a qualifying advanced coal project. Eligible property is limited to property that can be depreciated or amortized and that was constructed, reconstructed, or erected and completed by the taxpayer or that is acquired by the taxpayer if the original use of such property commences with the taxpayer.

Basis reduction for certain financing. If property is financed in whole or in part by subsidized energy financing or by tax-exempt private activity bonds, the amount that you can claim as basis is the basis that would otherwise be allowed multiplied by a fraction that is 1 reduced by a second fraction, the numerator of which is that portion of the basis allocable to such financing or bonds, and the denominator of which is the basis of the property.

For example, if the basis of the property is $100,000 and the portion allocable to such financing or bonds is $20,000, the fraction of the basis that you may claim the credit on is 4/5 (that is, 1 minus $20,000/$100,000).

Subsidized energy financing means financing provided under a federal, state, or local program, a principal purpose of which is to provide subsidized financing for projects designed to conserve or produce energy.

Line 1a

Enter the qualified investment in integrated gasification combined cycle property placed in service during the tax year for projects described in section 48A(d)(3)(B)(i). Eligible property is any property that is part of a qualifying advanced coal project using an integrated gasification combined cycle and is necessary for the gasification of coal, including any coal handling and gas separation equipment.

Integrated gasification combined cycle is an electric generation unit that produces electricity by converting coal to synthesis gas, which, in turn, is used to fuel a combined cycle plant to produce electricity from both a combustion turbine (including a combustion turbine/fuel cell hybrid) and a steam turbine.

Line 2a

Enter the qualified investment in advanced coal-based generation technology property placed in service during the tax year for projects described in section 48A(d)(3)(B)(ii). Eligible property is any property that is part of a qualifying advanced coal project (defined earlier) not using an integrated gasification combined cycle.

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Line 3a

Enter the qualified investment in advanced coal-based generation technology property placed in service during the tax year for projects described in section 48A(d)(3)(B)(iii). Eligible property is any certified property located in the United States and that is part of a qualifying advanced coal project (defined earlier) that has equipment that separates and sequesters at least 65% of the project's total carbon dioxide emissions. This percentage increases to 70% if the credits are later reallocated by the IRS.

The credit will be recaptured if a project fails to attain or maintain the carbon dioxide separation and sequestration requirements. For details, see section 48A(i) and Notice 2011-24, 2011-14 I.R.B. 603 available at *IRS.gov/irb/2011-14_IRB#NOT-2011-24*.

Section B—Qualifying Gasification Project Credit Under Section 48B

A qualifying gasification project is a project that:

- Employs gasification technology (as defined in section 48B(c)(2)),
- Is carried out by an eligible entity (as defined in section 48B(c)(7)), and
- Includes a qualified investment of which an amount not to exceed $650 million is certified under the qualifying gasification program as eligible for credit.

The total amount of credits that may be allocated under the qualifying gasification project program may not exceed $600 million.

For more information on the qualifying gasification project and the qualifying gasification program, see Notice 2009-23, 2009-16 I.R.B. 802 available at *IRS.gov/irb/2009-16_irb#NOT-2009-23*, which is amplified by Notice 2014-81, 2014-53 I.R.B. 1001 available at *IRS.gov/irb/2014-53_IRB#NOT-2014-81*. Also, see Notice 2011-24, 2011-14 I.R.B. 603 available at *IRS.gov/irb/2011-14_IRB#NOT-2011-24*.

Basis reduction. If property is financed in whole or in part by subsidized energy financing or by tax-exempt private activity bonds, figure the credit by using the basis of such property reduced under the rules described in *Basis reduction for certain financing*, earlier.

Line 4a

Enter the qualified investment in qualifying gasification project property placed in service during the tax year for which credits were allocated or reallocated after October 3, 2008, and that includes equipment that separates and sequesters at least 75% of the project's carbon dioxide emissions. Qualified investment is the basis of eligible property placed in service during the tax year that is part of a qualifying gasification project.

For purposes of this credit, eligible property includes any property that is part of a qualifying gasification project and necessary for the gasification technology of such project. The IRS is required to recapture the benefit of any allocated credit if a project fails to attain or maintain these carbon dioxide separation and sequestration requirements. See section 48B(f) and Notice 2011-14, 2011-11 I.R.B. 554 available at *IRS.gov/irb/2011-14_IRB#NOT-2011-24*.

Line 5a

Enter the qualified investment, other than any amount included in line 4a, in qualifying gasification project property (defined earlier) placed in service during the tax year.

Line 6

Patrons, including cooperatives that are patrons in other cooperatives, enter the unused investment credit from the qualifying advanced coal project credit or qualifying gasification project credit allocated from cooperatives. If you are a cooperative, see the Instructions for Form 3800, Part III, line 1a, for allocating the investment credit to your patrons.

Tip: See *Cooperatives*, earlier, for filing Form 3468 to report any unused credits from cooperatives.

Part III—Qualifying Advanced Energy Project Credit Under Section 48C

Qualifying advanced energy project means a project for which any portion of the qualified investment is certified by the Secretary under section 48C(e)(3) as eligible for a section 48C credit and that does one of the following:

- Re-equips, expands, or establishes an industrial or a manufacturing facility for the production or recycling of specified advanced energy property;
- Re-equips any industrial or manufacturing facility, with equipment designed to reduce greenhouse gas emissions by at least 20% through the installation of:
  - Low- or zero-carbon process heat systems;
  - Carbon capture, transport, utilization, and storage systems;
  - Energy efficiency and reduction in waste from industrial processes; or
  - Any other industrial technology designed to reduce greenhouse gas emissions, as determined by the Secretary; or
- Re-equips, expands, or establishes an industrial facility for the processing, refining, or recycling of critical materials (as defined in section 7002(a) of the Energy Act of 2020).

A qualifying advanced energy project does not include any portion of a project for the production of any property used in the refining or blending of any transportation fuel, other than renewable fuels.

Specified advanced energy property. The term "specified advanced energy property" means any of the following:

- Property designed for use in the production of energy from the sun, water, wind, geothermal deposits (within the meaning of section 613(e)(2)), or other renewable resources;
- Fuel cells, microturbines, or energy storage systems and components;
- Electric grid modernization equipment or components;

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- Property designed to capture, remove, use, or sequester carbon oxide emissions;
- Equipment designed to refine, electrolyze, or blend any fuel, chemical, or product that is renewable, or low carbon and low emission;
- Property designed to produce energy conservation technologies (including residential, commercial, and industrial applications);
- Light-, medium-, or heavy-duty electric or fuel cell vehicles, as well as technologies, components, or materials for such vehicles, and associated charging or refueling infrastructure;
- Hybrid vehicles with a gross vehicle weight rating of not less than 14,000 pounds as well as technologies, components, or materials for such vehicles; or
- Other advanced energy property designed to reduce greenhouse gas emissions as may be determined by the Secretary.

Eligible property. Eligible property is property that:

- Is necessary for the production or recycling of property described in section 48C(c)(1)(A)(i); re-equipping an industrial or manufacturing facility described in section 48C(c)(1)(A)(ii); or re-equipping, expanding, or establishing an industrial facility described in section 48C(c)(1)(A)(iii);
- Depreciation or amortization is allowable;
- Is tangible personal property or other tangible property (not including a building or its structural components), but only if the property is used as an integral part of the qualifying advanced energy project.

Eligible property placed in service before the taxpayer receives an allocation of section 48C credits under the section 48C(e) program is not eligible to receive such an allocation. See Notice 2023-44, 2023-25 I.R.B. 924 available at *IRS.gov/irb/2023-25_IRB#NOT-2023-44*.

Caution: You cannot claim both the investment credit under section 48C for a facility and the production credit under section 45X for property produced at that facility. See Regulations section 1.45X-1(g) for more details.

Certification. To be eligible for the qualifying advanced energy project credit, some or all of the qualified investment in the qualifying advanced energy project must be certified by the IRS under section 48C(e). See Notice 2023-18, 2023-10 I.R.B. 508 available at *IRS.gov/irb/2023-10_IRB#NOT-2023-18*, for more information on the certification and program.

See Notice 2023-44 for additional guidance for applicants seeking section 48C credit allocations in the qualifying advanced energy project credit allocation program under IRA 2022. See Notice 2023-44, 2023-25 I.R.B. 924 available at *IRS.gov/irb/2023-25_IRB#NOT-2023-44*.

See Notice 2024-36 which clarifies and amplifies the previously established 48C(e) guidance and allocation procedures by announcing the second round of credit allocations. See Notice 2024-36, 2024-24 I.R.B. 1479 available at *IRS.gov/irb/2024-24_IRB#NOT-2024-36*.

Line 1a

Enter the qualified investment in qualifying advanced energy project property placed in service during the tax year. Qualified investment is the basis of eligible property placed in service during the tax year that is part of a qualifying advanced energy project.

Line 1b

If you met the PWA requirements described in Part I, lines 7 and 8, *Filers Completing Part III*, earlier, and the certification for PWA requirements was met as part of the 48C(e) application per Notice 2023-18, section 5.07, then enter 30%. Otherwise, enter 6%.

Line 1d

Enter your 48C allocation control number for the qualifying advanced energy property.

Line 1f

If the TIN from Part I, line 3b(ii), is different than the originating pass-through entity's employer identification number (EIN), then enter the originating pass-through EIN. Otherwise, leave blank.

Line 2

Patrons, including cooperatives that are patrons in other cooperatives, enter the unused investment credit from the qualifying advanced energy property credit allocated from cooperatives. If you are a cooperative, see the instructions for Form 3800, Part III, line 1d, for allocating the investment credit to your patrons.

Tip: See *Cooperatives*, earlier, for filing Form 3468 to report any unused credits from cooperatives.

Line 3

Partnerships or S corporations. If you're a partnership or S corporation electing to transfer the qualifying advanced energy credit with respect to a project (or portion of) under section 6418(c), you must report the total credit amount on line 3 and Form 3800, Part III, line 1d.

Part IV—Advanced Manufacturing Investment Credit Under Section 48D

The advanced manufacturing investment credit is equal to 35% of the qualified investment with respect to any advanced manufacturing facility of an eligible taxpayer in the tax year for property placed in service after 2025. See Regulations section 1.48D-1 and P.L. 119-21, section 70308, for more information.

Caution: You cannot claim any advanced manufacturing investment credit for any tax year if the beginning of construction of the qualified property begins **after** 2026.

Eligible taxpayer. An eligible taxpayer is a taxpayer who isn't a foreign entity of concern (as defined in section 9901(6) of P. L. 116-283), and hasn't made an applicable transaction (as defined in section 50(a)) during the tax year.

Qualified investment. The qualified investment for any advanced manufacturing facility is the basis of any qualified property placed in service by the taxpayer during the tax year that is part of an advanced manufacturing facility.

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Advanced manufacturing facility. Advanced manufacturing facility means a facility whose primary purpose is the manufacturing of semiconductors or semiconductor manufacturing equipment. See Regulations section 1.48D-4.

Semiconductor. The term "semiconductor" means an integrated electronic device or system most commonly manufactured using materials such as, but not limited to, silicon, silicon carbide, or III–V compounds, and processes such as, but not limited to, lithography, deposition, and etching. Such devices and systems include, but are not limited to, analog and digital electronics, power electronics, and photonics for memory, processing, sensing, actuation, and communications applications.

Semiconductor manufacturing. The term "semiconductor manufacturing" and the term "manufacturing of semiconductors" are synonymous and mean semiconductor wafer production, semiconductor fabrication, or semiconductor packaging. The following terms have the following meanings in connection with semiconductor wafer production, semiconductor fabrication, and semiconductor packaging.

1. Semiconductor wafer production includes the processes of growing single-crystal ingots and boules, wafer slicing, etching and polishing, bonding, cleaning, epitaxial deposition, and metrology.
2. Semiconductor fabrication includes the process of forming devices such as transistors, poly capacitors, non-metal resistors, and diodes, as well as interconnects between such devices, on a wafer of semiconductor material.
3. Semiconductor packaging means the process of enclosing a semiconductor in a protective container (package) and providing external power and signal connectivity for the assembled integrated circuit and includes the process of assembly and testing of semiconductors and advanced packaging of semiconductors.
4. Assembly includes, but is not limited to, wafer-dicing, die-bonding, wire bonding, solder bumping, and encapsulation.
5. Testing includes, but is not limited to, probing, screening, and burn-in work.
6. Advanced packaging means a subset of packaging technologies that uses novel techniques and materials to increase the performance, power, modularity, and/or durability of an integrated circuit. Advanced packaging technologies include flip-chip, 2D, 2.5D, and 3D stacking, fan-out and fan-in, and embedded die/system-in-package (SiP).

Manufacturing of semiconductor manufacturing equipment. The term "manufacturing of semiconductor manufacturing equipment" means the physical production (in a manufacturing facility) of semiconductor manufacturing equipment, which is used by an advanced manufacturing facility engaged in the manufacturing of semiconductors.

Semiconductor manufacturing equipment. The term "semiconductor manufacturing equipment" means the highly engineered and specialized equipment used in the manufacturing of semiconductors and the subsystems that enable or are incorporated into the manufacturing equipment. Specific examples of semiconductor manufacturing equipment and subsystems that enable semiconductor manufacturing equipment include but are not limited to:

1. Deposition equipment, including Chemical Vapor Deposition (CVD), Physical Vapor Deposition (PVD), Electrodeposition, and Atomic Layer Deposition (ALD);
2. Etching equipment (wet etch, dry etch);
3. Equipment for epitaxial growth of transistor features;
4. Chemical-mechanical polishing equipment to planarize layers through the semiconductor fabrication process;
5. Lithography equipment (steppers and scanners of various light wavelengths, such as deep UV, extreme ultraviolet (EUV), photoresist coating, and developer tracks);
6. Equipment for producing ingots and boules, wafer growth equipment, wafer slicing equipment, wafer dicing equipment, and wire bonders;
7. Inspection and measuring equipment, including scanning electron microscopes, atomic force microscopes, optical inspection systems, wafer probes and optical scatterometer, and Energy Dispersive Spectroscopy;
8. Certain metrology and inspection systems to measure critical dimensions of the integrated circuit features throughout the fabrication process, detection and measurement of defects on the wafers during the fabrication process;
9. Ion implantation and diffusion/oxidation furnaces;
10. Specialty glass components including EUV mirrors and optical pathways, lenses and mirrors used in inspection equipment and other fabrication processes, and lens assemblies for wafer defect inspection;
11. Electrostatic chucks;
12. High performance pumps;
13. High purity quartz devices;
14. Ultra-high vacuum chamber components; and
15. Photomasks and light sources used in photolithography.

Qualified property. Qualified property includes any building or its structural components and all of the following.

- Property that is tangible property.
- Property that is allowed depreciation or amortization.
- Property that is constructed, reconstructed, or erected by the taxpayer or acquired by the taxpayer if the

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original use of the property commences with the taxpayer.
- Property that is integral to the operation of the advanced manufacturing facility. See Regulations section 1.48D-3(g) for more information.

Exception. Qualified property doesn't include a building or a portion of a building used for offices, administrative services, or other functions unrelated to manufacturing.

Buildings or portions of buildings not excluded. Buildings or portions of buildings not treated as offices and that are considered related to manufacturing of semiconductors or semiconductor manufacturing equipment include buildings or portions of a building used for:
- Gowning to enter to and from a cleanroom environment;
- Monitoring operations and remote access of equipment;
- Functions performed by unit process engineers including developing, monitoring, updating, and overseeing individual process recipes running on every tool in the facility to manufacture, measure, and test wafers including access to relevant data, data analysis, modifications, and updates to the process recipes on the tools;
- Functions performed by equipment engineers including overseeing tools to ensure proper operation by accessing data about the tool health and performance remotely adjusting the tool at workstations, and issuing work orders to the equipment and maintenance technicians from the workstations;
- Functions performed by test engineers including monitoring the electrical test data being collected from the wafers at certain points in their processing;
- Functions performed by yield and defect engineers including reviewing inspection data collected from wafers;
- Functions performed by metrology engineers including reviewing physical measurement data collected from the wafers;
- Functions performed by integration engineers that are responsible for the technology node and the end-to-end wafer process;
- Functions performed by facilities engineers including monitoring and controlling facilities systems; and
- Functions related to central utilities buildings, material handling and ultrapure water generation facilities, and computing (data center).

See Regulations section 1.48D-3(c) for more information.

Coordination with rehabilitation credit. The qualified investment with respect to any advanced manufacturing facility for any tax year can't include the portion of the basis of any property that is attributable to qualified rehabilitation expenditures (as defined in section 47(c)(2)). See Regulations section 1.48D-1(c)(2) for an example.

Certain progress expenditure rules made applicable. Rules similar to the rules of section 46(c)(4) and 46(d) (as in effect on the day before the date of the enactment of P.L. 101-508) apply for purposes of the advanced manufacturing investment credit.

Elective Payment Election under Advanced Manufacturing Investment Credit Statement

If you claim an advanced manufacturing investment credit **and** make an elective payment election under section 48D(d)(1), you must attach a statement under penalties of perjury. The statement should include the following.

1. Under penalties of perjury the taxpayer claiming to be an eligible taxpayer is not a foreign entity of concern within the meaning of the regulations under section 48D and has not made an applicable transaction as defined under section 50 during the taxable year that the qualified property is placed in service.
2. Under penalties of perjury the taxpayer will not claim a double benefit (within the meaning of section 48D(d)(3) and regulations section 1.48D-6(d)(2)(ii)(B), (C) and (e)) with respect to any elective payment election made by the taxpayer.

Line 1b

Enter the basis of the qualified investment with respect to any advanced manufacturing facility (defined above) for the tax year.

Line 1c

For property placed in service after 2025, multiply line 1b by 35% (0.35).

Line 2

Patrons, including cooperatives that are patrons in other cooperatives, enter the unused investment credit from the advanced manufacturing investment credit allocated from cooperatives. If you are a cooperative, see the instructions for Form 3800, Part III, line 1o, for allocating the investment credit to your patrons.

Tip: See *Cooperatives*, earlier, for filing Form 3468 to report any unused credits from cooperatives.

Line 3

If you are a partnership or S corporation requesting elective payment with respect to the advanced manufacturing investment credit under section 48D(d)(2)(A), you must report the credit amount on line 3 and Form 3800, Part III, line 1o.

Part V—Clean Electricity Investment Credit Under Section 48E

Section A—Qualified Clean Electricity Facilities

The clean electricity investment credit is the applicable percentage of the qualified investment with respect to any qualified facility during the tax year.

Note: This credit is available for property placed in service **after** 2024.

Qualified investment. The qualified investment with respect to any qualified facility is the sum of the following amounts.

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1. The basis of any qualified property placed in service by the taxpayer during the tax year which is part of the qualified facility.
2. The amount of any expenditures that are paid or incurred by the taxpayer for qualified interconnection property in connection with a qualified facility that has a maximum net output of not greater than 5 MW ac and placed in service during the tax year, and properly chargeable to the capital account of the taxpayer.

Qualified property. Qualified property means property that is:

- Tangible personal property or other tangible property (not including a building or its structural components), but only if it's used as an integral part of the qualified facility;
- Depreciation or amortization is allowable; and
- The construction, reconstruction, or erection is completed by the taxpayer or is acquired by the taxpayer if the original use of the property starts with the taxpayer.

Qualified facility. A qualified facility means a facility that is used for the generation of electricity and is placed in service after 2024, and the anticipated greenhouse emissions rate (under Regulations section 1.48E-5) is not greater than zero.

A qualified facility will also include either a new unit or an addition of capacity placed in service after 2024, if the facility described above (without regard to being placed in service after 2024) was placed in service before 2025, but only to the extent of the increased amount of electricity produced at the facility by reason of such new unit or addition of capacity.

Caution: You cannot claim the clean electricity investment credit for a facility for which a credit determined under section 45, 45J, 45Q, 45U, 45Y, 48, or 48A is allowed under section 38 for the tax year or any prior tax year.

Caution: For tax years starting after July 4, 2025, no credit will be allowed for property described in section 25D(d)(1) or (4) if the taxpayer rents or leases such property to a third party during the tax year.

Qualified interconnection property. Qualified interconnection property is, with respect to a qualified facility that isn't a microgrid controller, any tangible property that:

- Is part of an addition, modification, or upgrade to a transmission or distribution system that is required at or beyond the point at which the qualified facility interconnects to such transmission or distribution system in order to accommodate such interconnection;
- Is either constructed, reconstructed, or erected by the taxpayer, or the cost with respect to the construction, reconstruction, or erection of such property is paid or incurred by the taxpayer; and
- The original use, pursuant to an interconnection agreement, starts with a utility.

Material assistance from prohibited foreign entities. If the construction, reconstruction, or erection of a qualified facility or qualified interconnection property, described earlier, includes any material assistance from a prohibited foreign entity (as defined in section 7701(a)(52)) and construction, reconstruction, or erection begins after 2025, no credit will be allowed. See Notice 2026-15 available at *IRS.gov/irb/2026-11_IRB#NOT-2026-15* for interim guidance and interim safe harbors for determining a qualified facility's material assistance cost ratio for purposes of determining whether there was material assistance from a prohibited foreign entity.

CO2e per KWh. The term "CO2e per KWh" means, with respect to any greenhouse gas, the equivalent carbon dioxide (as determined based on global warming potential) per kilowatt hour of electricity produced.

Greenhouse gas. Greenhouse gas means carbon dioxide, hydrofluorocarbons, methane, nitrous oxide, perfluorocarbons, and sulfur hexafluoride. The Administrator of Public Health and Welfare may include any other anthropogenically emitted gas that is determined by the Administrator of Public Health and Welfare, after notice and comment, to contribute to global warming.

Greenhouse gas emissions rate. Greenhouse gas emissions rate is the amount of greenhouse gases emitted into the atmosphere by a facility in the production of electricity, expressed as grams of CO2e per KWh.

Coordination with rehabilitation credit. The qualified investment for any qualified facility cannot include the portion of the basis of any property that is attributable to qualified rehabilitation expenditures (as defined in section 47(c)(2)) for any tax year.

Certain progress expenditure rules made applicable. Rules similar to the rules of section 46(c)(4) and 46(d) (as in effect on the day before the date of the enactment of P.L. 101-158) apply for purposes of the clean electricity investment credit.

Recapture of credit. For purposes of section 50, if the Secretary determines that the greenhouse gas emissions rate for a qualified facility is greater than 10 grams of CO2e per KWh, any property for which a credit was allowed under this section will cease to be an investment credit property in the tax year in which the determination is made.

Prohibited foreign entity restrictions. In general, for tax years beginning after July 4, 2025, no credit will be allowed for any tax year if the taxpayer is a specified foreign entity (as defined in section 7701(a)(51)(B)) or a foreign-influenced entity (as defined in section 7701(a)(51)(D) without regard to section 7701(a)(51)(D)(i)(II)). If the taxpayer is determined to be a foreign-influenced entity during any tax year under section 7701(a)(51)(D)(i)(II), and such determination relates to a qualified facility, no credit will be allowed for such a tax year. See Notice 2026-15 available at *IRS.gov/irb/2026-11_IRB#NOT-2026-15* for limited general guidance related to the definition of a prohibited foreign entity.

Qualifying solar and wind facilities. For applicable wind or solar facilities placed in service after 2027, where

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the beginning of construction is after July 4, 2026, no credit will be allowed. See *Beginning of construction*, earlier, for more information.

Line 1b

Enter your applicable percentage. See *Increased Credit Amount Statement*, earlier, for more information.

Qualified fuel cell property. Qualified fuel cell property (defined under section 48(c)(1), without regard to subparagraph (E)) is a qualified facility if the qualified fuel cell property is used for the generation of electricity, and construction begins after 2026. Enter 30% on line 1b for the applicable percentage.

Caution: If you're taking a credit for qualified fuel cell property under section 48(c)(1), no other increases or adjustments are allowed. Skip lines 1d through 1n and go to line 2.

Line 1d

Enter your applicable domestic content bonus credit percentage. See *Domestic Content Certification Statement*, earlier, for more information.

If the facility did not meet the requirements for the domestic content bonus credit, leave line 1d blank, skip line 1e, and go to line 1f.

Line 1f

Enter your applicable energy community bonus credit percentage. See *Energy community bonus credit rate*, earlier, for more information.

If the facility was not placed in service within an energy community, leave line 1f blank, skip line 1g, and go to line 1h.

Line 1h

Enter your applicable low-income communities bonus credit percentage. See *Filers Completing Part V*, earlier, for more information.

However, you don't qualify for the low-income communities bonus credit if either of the following applies.

1. You checked the box in Part I, line 11g.
2. Part I, line 12a(ii), 12b, or 12c(ii), is 5 MW ac or more (in relation to Part I, lines 11a, 11b, 11c, or 11d).

In the case where either 1 or 2 above applies, enter -0- on lines 1h and 1n, and go to line 2.

Section B—Qualified Energy Storage Technology

The clean electricity investment credit is the applicable percentage of the qualified investment with respect to any energy storage technology during the tax year.

Note: This credit is available for property placed in service after 2024.

Qualified investment. The qualified investment with respect to energy storage technology for any tax year is the basis of any energy storage technology placed in service by the taxpayer during the tax year.

Energy storage technology. Energy storage technology is:

- Property (other than property primarily used in the transportation of goods or individuals and not for the production of electricity) that receives, stores, and delivers energy for conversion to electricity (or, in the case of hydrogen, that stores energy), and has a nameplate capacity of not less than 5 kilowatt hours, and
- Thermal energy storage property.

Modifications of certain property. In the case of any energy storage technology property described above, the modified property will be treated as energy storage technology property (except for the treatment of the basis of the existing property prior to the modification), if either of the following applies.

- The property is placed in service before August 16, 2022, has a nameplate capacity of less than 5 kilowatt hours, and is modified in a manner where the property has a nameplate capacity of at least 5 kilowatt hours; or
- The property is modified in a manner that modifications increase the nameplate capacity by at least 5 kilowatt hours.

Thermal energy storage property. Thermal energy storage property is property comprising a system that:

- Is directly connected to a heating, ventilation, or air conditioning system;
- Removes heat from, or adds heat to, a storage medium for subsequent use; and
- Provides energy for the heating or cooling of the interior of a residential or commercial building.

Thermal energy storage property doesn't include:

- A swimming pool,
- Combined heat and power system property,
- A building or its structural components, or
- Property that transforms other forms of energy into heat in the first instance. See Regulations section 1.48E-2(g)(6)(ii).

Material assistance from prohibited foreign entities. If the construction of energy storage technology, described earlier, includes any material assistance from a prohibited foreign entity (as defined in section 7701(a)(52)) and construction begins after 2025, no credit will be allowed. See Notice 2026-15 available at *IRS.gov/irb/2026-11_IRB#NOT-2026-15* for interim guidance and interim safe harbors for determining an energy storage technology's material assistance cost ratio for purposes of determining whether there was material assistance from a prohibited foreign entity.

Prohibited foreign entity restrictions. In general, for tax years beginning after July 4, 2025, no credit will be allowed for any tax year if the taxpayer is a specified foreign entity (as defined in section 7701(a)(51)(B)) or a foreign-influenced entity (as defined in section 7701(a)(51)(D) without regard to section 7701(a)(51)(D)(i)(II)). If

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the taxpayer is determined to be a foreign-influenced entity during any tax year under section 7701(a)(51)(D)(i)(II), and such determination relates to an energy storage technology, no credit will be allowed for such a tax year. See Notice 2026-15 available at *IRS.gov/irb/2026-11_IRB#NOT-2026-15* for limited general guidance related to the definition of a prohibited foreign entity.

Certain progress expenditure rules made applicable. Rules similar to the rules of section 46(c)(4) and 46(d) (as in effect on the day before the date of the enactment of P.L. 101-158) apply for purposes of the clean electricity investment credit.

Caution: You cannot claim the clean electricity investment credit for a facility for which a credit determined under section 45, 45J, 45Q, 45U, 45Y, 48, or 48A is allowed under section 38 for the tax year or any prior tax year.

Line 3b

Enter your applicable percentage. See *Increased Credit Amount Statement*, earlier, for more information.

Line 3d

Enter your applicable domestic content bonus credit percentage. See *Domestic Content Certification Statement*, earlier, for more information.

If the energy storage technology did not meet the requirements for the domestic content bonus credit, leave line 3d blank, skip line 3e, and go to line 3f.

Line 3f

Enter your applicable energy community bonus credit percentage. See *Energy community bonus credit rate*, earlier, for more information.

If the energy storage technology was not placed in service within an energy community, leave line 3f blank, skip line 3g, and go to line 4.

Section C—Totals, Credit Reduction for Subsidized Energy Financing or Private Activity Bonds, and Credit Phaseout

Line 6

If proceeds of subsidized energy financing or private activity bonds were not used to finance your qualified clean electricity facility or your qualified energy storage technology, skip line 6, and go to line 7.

Credit reduction for Subsidized Energy Financing or Private Activity Bonds. The amount of the credit with respect to any facility or energy storage technology for any tax year will be reduced by the amount that is the product of the amount of the credit without the reduction for private activity bonds, for such year and the lesser of one of the following.

- 15%, or
- A fraction. The numerator is the sum for the tax year and all prior tax years of proceeds of an issue of any obligations the interest on which is exempt from tax under section 103 and that is used to provide financing for the qualified facility or energy storage technology, as of the close of the tax year. The denominator is the aggregate amount of additions to the capital account for the qualified facility or energy storage technology for the tax year and all prior tax years, as of the close of the tax year.

Line 8

Elective payment phaseout for applicable entities. If you are making an elective payment election under section 6417 and the facility or energy storage technology doesn't meet the rules of section 45Y(g)(12)(B)(i), doesn't have a maximum net output of less than 1 MW (as measured in ac), or meet an exception under section 45Y(g)(12)(D), then multiply line 7 by the applicable percentage of the year in which construction began below. All others, enter the amount from line 7.

- Construction began in 2024, 90% (0.90).
- Construction began in 2025, 85% (0.85).
- Construction began after 2025, 0% (0.00).

Exception to elective payment phaseout. For facilities or energy storage technologies whose construction begins before the later of January 1, 2027, or the issuance of further guidance, Notice 2024-84 provides transitional procedures to claim the statutory exceptions to the elective payment phaseout related to the domestic content requirement.

To substantiate your claim of exception to the elective payment phaseout, you must complete and attach a statement to Form 3468. The statement must say, under penalties of perjury, that you have reviewed the requirements for the increased cost exception and the non-availability exception under section 45Y(g)(12)(D), and have made a good faith determination that the qualified investment meets the requirements for the increased cost exception and/or the non-availability exception, as applicable. The statement must be signed by a person with the legal authority to bind the applicable entity in federal tax matters. For more information, see Notice 2024-09 available at *IRS.gov/irb/2024-02_IRB#NOT-2024-9* and Notice 2024-84 available at *IRS.gov/irb/2024-50_IRB#NOT-2024-84*.

Line 10

Patrons, including cooperatives that are patrons in other cooperatives, enter the unused investment credit from the clean electricity investment credit allocated from cooperatives. If you are a cooperative, see the instructions for Form 3800, Part III, line 1v, for allocating the investment credit to your patrons.

Tip: See *Cooperatives*, earlier, for filing Form 3468 to report any unused credits from cooperatives.

Line 11

Partnership or S corporation. If you're a partnership or S corporation electing to transfer the clean electricity investment credit with respect to a facility or property (or

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portion of) under section 6418(c), you must report the total credit amount on line 11 and Form 3800, Part III, line 1v.

Part VI—Energy Credit Under Section 48

The energy credit for the tax year is the energy percentage of the basis of each energy property placed in service during the tax year. The energy properties include the following.

- Geothermal energy property.
- Solar energy property to generate electricity, or solar energy property to illuminate.
- Qualified fuel cell property.
- Qualified microturbine property.
- Combined heat and power system property.
- Qualified small wind energy property.
- Waste energy recovery property.
- Geothermal heat pump system property.
- Energy storage technology property.
- Qualified biogas property.
- Microgrid controllers property.
- Qualified investment credit facility treated as energy property under section 48(a)(5).
- Clean hydrogen production facility treated as energy property under section 48(a)(15).

Property requirements. To qualify as energy property as defined in section 48(a)(3), it must:

1. Meet the performance and quality standards, if any, that have been prescribed by regulations and are in effect at the time the property is acquired;
2. Be property for which depreciation (or amortization in lieu of depreciation) is allowable; and
3. Be property either:
   a. The construction, reconstruction, or erection of which is completed by the taxpayer; or
   b. Acquired by the taxpayer if the original use of such property commences with the taxpayer.

Energy property doesn't include any property that is part of a production credit under section 45 for the tax year or any prior tax year.

Energy property doesn't include any property acquired before February 14, 2008, or to the extent of basis attributable to construction, reconstruction, or erection before February 14, 2008, that is public utility property, as defined by section 46(f)(5) (as in effect on November 4, 1990), and related regulations.

You must reduce the basis of energy property by 50% of the energy credit determined.

You must reduce the basis of energy property used for figuring the credit by any amount attributable to qualified rehabilitation expenditures.

Basis reduction. If energy property (acquired before 2009, or to the extent of its basis attributable to construction, reconstruction, or erection before 2009) is financed in whole or in part by subsidized energy financing or by tax-exempt private activity bonds, reduce the basis of such property under the rules described in *Basis reduction for certain financing*, earlier.

For energy property that was constructed, reconstructed, or erected after August 16, 2022, see the instructions for Section N to reduce the amount of the credit with respect to any facility financed with tax-exempt bonds.

Coordination with Department of Treasury grants. In the case of any property where the Secretary makes a grant under section 1603 of the American Recovery and Reinvestment Tax Act of 2009, no credit will be determined under section 48 or section 45 with respect to the property for the tax year in which the grant is made or any subsequent tax year.

Recapture. If a credit was determined with respect to a property for any tax year ending before the grant is made:

- The tax imposed on the taxpayer for the tax year in which the grant is made will be increased by the credit amount allowed under section 38,
- The general business carryforwards under section 39 will be adjusted to recapture the portion of the credit that was not allowed, and
- The amount of the grant will be determined without regard to any reduction in the basis of the property by the credit.

Treatment of grants. Any grant will not be included in the gross income or alternative minimum taxable income of the taxpayer, but will be taken into account in determining the basis of the property to which the grant relates, except that the basis of such property will be reduced under section 50(c) in the same manner as a credit allowed.

Interconnection property. For purposes of determining the energy credit, energy property shall include amounts paid or incurred by the taxpayer for qualified interconnection property in connection with the installation of energy property placed in service during the tax year that:

- Has a maximum net output of not greater than 5 MW (as measured in alternating current) to provide for the transmission or distribution of the electricity produced or stored by such property; and
- Are properly chargeable to the capital account of the taxpayer.

See Regulations section 1.48-14(h) for more information.

Note: The amounts paid or incurred by the taxpayer for qualified interconnection property under section 48 must be included on the basis lines for applicable property on Form 3468, Part VI, Section A, line 1a; Section B, line 3a; Section C, line 5f; Section D, line 7a; Section E, line 9a; Section F, line 11d; Section G, line 13a; Section I, line 17a; and Section L, line 23a.

Qualified interconnection property does not apply to Form 3468, Part VI, Section C, line 5a; Sections H, J, K, M; and parts of Section B (electrochromic glass property and fiber optic solar energy property) and Section I (thermal energy storage property and hydrogen energy storage property).

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For more information, see section 48(a)(8) and T.D. 10015 including section 1.48-14(h).

Qualified interconnection property. Qualified interconnection property is, with respect to an energy project that isn't a microgrid controller, any tangible property that:

- Is part of an addition, modification, or upgrade to a transmission or distribution system that is required at or beyond the point at which the energy project interconnects to such transmission or distribution system in order to accommodate such interconnection;
- Is either constructed, reconstructed, or erected by the taxpayer, or that the cost with respect to the construction, reconstruction, or erection of such property is paid or incurred by the taxpayer; and
- The original use, pursuant to an interconnection agreement, commences with a utility. See Regulations section 1.48–14(h)(2) for more information.

Interconnection agreement. Interconnection agreement means an agreement with a utility for the purposes of interconnecting the energy property owned by the taxpayer to the transmission or distribution system of the utility. See Regulations section 1.48-14(h)(4) for more information.

Utility. For the purposes of section 48(a)(8), utility means the owner or operator of an electrical transmission or distribution system that is subject to the regulatory authority of any the following.

- A state or political subdivision thereof.
- Any agency or instrumentality of the United States.
- A public service or public utility commission or other similar body of any state or political subdivision thereof.
- The governing or ratemaking body of an electric cooperative.

Special rule for interconnection property. In the case of expenses paid or incurred for interconnection property, amounts otherwise chargeable to a capital account with respect to such expenses will be reduced under rules similar to the rules of section 50(c). The special rule in section 50(c)(3)(A), which provides for a basis reduction of 50% in the case of any energy credit, applies to qualified interconnection property the costs of which are included for purposes of the section 48 credit.

Energy project. For purposes of the increased credit amount described in Part I, lines 7 and 8; the domestic content bonus credit amount described in Part I, line 9; and the increase in credit rate for energy communities described in Part I, line 10; the term "energy project" means one or more energy properties (multiple energy properties) that are operated as part of a single energy project. Multiple energy properties will be treated as one energy project if they are owned by a taxpayer (subject to the related taxpayer rule in Regulations section 1.48-13(d)(2)) and any four or more of the following factors are present.

- The energy properties are constructed on contiguous pieces of land.
- The energy properties are described in a common power purchase, thermal energy, or other off-take agreement or agreements.
- The energy properties have a common intertie.
- The energy properties share a common substation, or thermal energy off-take point.
- The energy properties are described in one or more common environmental or other regulatory permits.
- The energy properties are constructed pursuant to a single master construction contract.
- The construction of the energy properties is financed pursuant to the same loan agreement.

Separate reporting for energy properties within an energy project. While multiple energy properties may be treated as a single energy project for specified purposes, this information must be reported separately for each energy property within an energy project. The form must be timely filed (including extensions) for the tax year in which the energy property is placed in service. See Regulations section 1.48-13(d) for more information.

Section A—Geothermal Energy Credit

Geothermal energy. Geothermal energy property is used to produce, distribute, or use energy derived from a geothermal deposit (within the meaning of section 613(e)(2)). For electricity produced by geothermal power, equipment qualifies only up to, but not including, the electrical transmission stage.

Line 1b

For qualifying geothermal energy property placed in service during the tax year, the applicable percentage is determined by the beginning of construction date and if the PWA requirements or one of the limited exceptions are met. See Part I, lines 7 and 8, *Filers Completing Part V or VI*, earlier. Use the table below to determine your applicable percentage and enter it on line 1b.

See *Increased Credit Amount Statement*, earlier, for more information.

	Beginning of Construction		
	Before 2025	**From 01/01/25 to 06/15/25**	**After 06/15/25**
Meets PWA requirements or a limited exception	30%	10%	0%
Does not meet PWA requirements or a limited exception	6%	2%	0%

Line 1d

Enter your applicable domestic content bonus credit percentage. See *Domestic Content Certification Statement*, earlier, for more information.

If the energy project did not meet the requirements for the domestic content bonus credit, leave line 1d blank, skip line 1e, and go to line 1f.

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Line 1f

Enter your applicable energy community bonus credit percentage. See *Energy community bonus credit rate*, earlier, for more information.

If the energy project was not placed in service within an energy community, leave line 1f blank, skip line 1g, and go to line 2.

Section B—Solar Energy Credit

Solar energy. Solar energy property is property that has the following.

1. Equipment that uses solar energy to illuminate the inside of a structure using fiber-optic-distributed sunlight.
2. Electrochromic glass that uses electricity to change its light transmittance properties in order to heat or cool a structure.
3. Equipment that uses solar energy to:
   a. Generate electricity,
   b. Heat or cool (or provide hot water for use in) a structure, or
   c. Provide solar process heat (but not to heat a swimming pool).

Caution: For solar energy property described in 1 and 2 above, filers may be able to claim these credits for qualified property where construction began before 2025. These credits cannot be claimed for qualified property whose construction began after 2024.

Line 3b

For qualifying solar energy property (described in *Solar energy* 1 or 2 above) placed in service during the tax year where construction begins before 2025, the applicable percentage is determined by meeting the PWA requirements or one of the limited exceptions. See Part I, lines 7 and 8, *Filers Completing Part V or VI*, earlier. Use the table below to determine your applicable percentage and enter it on line 3b.

	Beginning of Construction	
	Before 2025	**After 2024**
Meets PWA requirements or a limited exception	30%	0%
Does not meet PWA requirements or a limited exception	6%	0%

For qualifying solar energy property (described in *Solar energy* 3 above) placed in service during the tax year, the applicable percentage is determined by the beginning of construction date and if the PWA requirements or one of the limited exceptions are met. See Part I, lines 7 and 8, *Filers Completing Part V or VI*, earlier. Use the table below to determine your applicable percentage and enter it on line 3b.

	Beginning of Construction		
	Before 2025	**From 01/01/25 to 06/15/25**	**After 06/15/25**
Meets PWA requirements or a limited exception	30%	10%	0%
Does not meet PWA requirements or a limited exception	6%	2%	0%

Tip: See *Increased Credit Amount Statement*, earlier, for more information about the required statement.

Line 3d

Enter your applicable low-income communities bonus credit percentage in connection with your solar energy facility. See *Low-income communities bonus credit amount*, earlier, for more information.

However, you don't qualify for the low-income communities bonus credit if either of the following applies.

1. You checked the box in Part I, line 11g.
2. Part I, line 12a(ii), is 5 MW ac or more (in relation to Part I, line 11a, 11b, 11c, or 11d).

In the case where either 1 or 2 above applies, enter -0- on lines 3d and 3j, and go to line 3k.

Line 3k

Enter the applicable domestic content bonus credit percentage. See *Domestic Content Certification Statement*, earlier, for more information.

If the energy project did not meet the requirements for the domestic content bonus credit, leave line 3k blank, skip line 3l, and go to line 3m.

Line 3m

Enter the applicable energy community bonus credit percentage. See *Energy community bonus credit rate*, earlier, for more information.

If the energy project was not placed in service within an energy community, leave line 3m blank, skip line 3n, and go to line 4.

Section C—Qualified Fuel Cell Property

Qualified fuel cell property. Qualified fuel cell property is a fuel cell power plant that has a nameplate capacity of at least 0.5 kilowatts (1 kilowatt in the case of a fuel cell plant with a linear generator assembly) of electricity using an electrochemical or electromechanical process and has electricity-only generation efficiency greater than 30%. See section 48(c)(1) for further details.

Fuel cell power plant. Fuel cell power plant means an integrated system comprised of a fuel cell stack assembly

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or linear generator assembly, and associated balance of plant components that converts a fuel into electricity using electrochemical or electromechanical means.

Linear generator assembly. Linear generator assembly doesn't include any assembly that contains rotating parts.

Line 5a

Enter the basis, attributable to periods after 2005 and before October 4, 2008, of any qualified fuel cell property placed in service during the tax year, if the property was acquired after 2005 and before October 4, 2008, or to the extent of basis attributable to construction, reconstruction, or erection by the taxpayer after 2005 and before October 4, 2008.

Line 5c

Enter the applicable number of kilowatts of capacity attributable to the basis on line 5a. This entry must be a whole number.

Line 5f

Enter the basis, attributable to periods after October 3, 2008, and the construction of which began before 2021 or after 2022, of any qualified fuel cell property placed in service during the tax year.

Caution: Filers may be able to claim these credits for qualified property where construction began before 2025. These credits cannot be claimed for qualified property whose construction began after 2024.

See *Qualified fuel cell property* and *Beginning of construction*, earlier.

Caution: Basis is attributable to periods after October 3, 2008, if the property was acquired after October 3, 2008, or to the extent of basis attributable to construction, reconstruction, or erection by the taxpayer after October 3, 2008.

Line 5g

Enter your applicable energy percentage. See *Increased Credit Amount Statement*, earlier, for more information.

Line 5i

Enter your applicable domestic content bonus credit percentage. See *Domestic Content Certification Statement*, earlier, for more information.

If the energy project did not meet the requirements for the domestic content bonus credit, leave line 5i blank, skip line 5j, and go to line 5l.

Line 5l

Enter the applicable energy community bonus credit percentage. See *Energy community bonus credit rate*, earlier, for more information.

If the energy project was not placed in service within an energy community, leave line 5l blank, skip line 5m, and go to line 5n.

Line 5o

Enter the applicable number of kilowatts of capacity attributable to the basis on line 5f. This entry must be a whole number.

Section D—Qualified Microturbine Property

Qualified microturbine property. Qualified microturbine property is a stationary microturbine power plant that has a nameplate capacity of less than 2,000 kilowatts and has an electricity-only generation efficiency of not less than 26% at International Standard Organization conditions. See section 48(c)(2) for further details.

Stationary microturbine power plant. Stationary microturbine power plant means an integrated system comprised of a gas turbine engine, a combustor, a recuperator or regenerator, a generator or alternator, and associated balance of plant components that converts a fuel into electricity and thermal energy. It also includes all secondary components located between the existing infrastructure for fuel delivery and the existing infrastructure for power distribution, including equipment and controls for meeting relevant power standards, such as voltage, frequency, and power factors.

Caution: Filers may be able to claim these credits for qualified property where construction began before 2025. These credits cannot be claimed for qualified property whose construction began after 2024.

Line 7a

Enter the basis, attributable to periods after 2005, of any qualified microturbine property placed in service during the tax year, if the property was acquired after 2005, or to the extent of basis attributable to construction, reconstruction, or erection by the taxpayer after 2005.

Line 7b

Enter your applicable energy percentage. See *Increased Credit Amount Statement*, earlier, for more information.

Line 7d

Enter your applicable domestic content bonus credit percentage. See *Domestic Content Certification Statement*, earlier, for more information.

If the energy project did not meet the requirements for the domestic content bonus credit, leave line 7d blank, skip line 7e, and go to line 7g.

Line 7g

Enter the applicable energy community bonus credit percentage. See *Energy community bonus credit rate*, earlier, for more information.

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If the energy project was not placed in service within an energy community, leave line 7g blank, skip line 7h, and go to line 7i.

Line 7j

Enter the applicable number of kilowatts of capacity attributable to the basis on line 7a. This entry must be a whole number.

Section E—Combined Heat and Power System Property

Combined heat and power system property. Combined heat and power system property means property comprising a system that:

1. Uses the same energy source for the simultaneous or sequential generation of electrical power, mechanical shaft power, or both; in combination with the generation of steam or other forms of useful thermal energy (including heating and cooling applications); and
2. Has an energy efficiency percentage determined on a British thermal unit (BTU) basis over 60% and it produces:
   a. At least 20% (determined on a BTU basis) of its total useful energy in the form of thermal energy that isn't used to produce electrical and/or mechanical power, and
   b. At least 20% (determined on a BTU basis) of its total useful energy in the form of electrical and/or mechanical power.

For details, see section 48(c)(3).

Caution: Taxpayers cannot take a credit for both combined heat and power system property and waste energy recovery property for the same property. Taxpayers must elect not to treat such property as combined heat and power system property for section 48 purposes.

Limitation. In the case of combined heat and power system property with an electrical capacity in excess of the applicable capacity placed in service during the tax year, the credit for that year shall be equal to the amount that bears the same ratio to the credit as the applicable capacity bears to the capacity of such property.

Applicable capacity. Applicable capacity means the following.

- 15 MW.
- A mechanical energy capacity of more than 20,000 horsepower.
- An equivalent combination of electrical and mechanical energy capacities.

Maximum capacity. Combined heat and power system property shall not include any property comprising a system if the system has:

- A capacity of more than 50 MW,
- A mechanical energy capacity of more than 67,000 horsepower, or
- An equivalent combination of electrical and mechanical energy capacities.

Energy efficiency percentage. The energy efficiency percentage of a combined heat and power system property is the fraction of which the numerator is the total useful electrical, thermal, and mechanical power produced by the system at normal operating rates (and expected to be consumed in its normal application), and the denominator is the lower heating value of the fuel sources for the system.

Combined heat and power system property doesn't include property used to transport the energy source to the facility or to distribute energy produced by the facility.

Biomass systems. Systems designed to use biomass for at least 90% of the energy source are eligible for a credit that is reduced in proportion to the degree to which the system fails to meet the efficiency standard. For more information, see section 48(c)(3)(D).

Caution: Filers may be able to claim these credits for qualified property where construction began before 2025. These credits cannot be claimed for qualified property whose construction began after 2024.

Line 9d

Enter your applicable energy percentage. See *Increased Credit Amount Statement*, earlier, for more information.

Line 9f

Enter your applicable domestic content bonus credit percentage. See *Domestic Content Certification Statement*, earlier, for more information.

If the energy project did not meet the requirements for the domestic content bonus credit, leave line 9f blank, skip line 9g, and go to line 9h.

Line 9h

Enter the applicable energy community bonus credit percentage. See *Energy community bonus credit rate*, earlier, for more information.

If the energy project was not placed in service within an energy community, leave line 9h blank, skip line 9i, and go to line 10.

Section F—Qualified Small Wind Energy Property

Qualified small wind energy property. Qualified small wind energy property means property that uses a qualifying small wind turbine to generate electricity. For this purpose, a qualifying small wind turbine means a wind turbine that has a nameplate capacity of not more than 100 kilowatts. For details, see section 48(c)(4). In addition, for small wind energy property acquired (or placed in service in the case of property constructed, reconstructed, or erected) after February 2, 2015, see Notice 2015-4, 2015-5 I.R.B. 407 (available at *IRS.gov/irb/2015-05_IRB#NOT-2015-4*), as modified by Notice 2015-51, 2015-31 I.R.B. 133 (available at *IRS.gov/irb/2015-31_IRB#NOT-2015-51*), and Regulations section

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1.48-9(c)(2)(ii)(A), for performance and quality standards that small wind energy property must meet to qualify for the energy credit.

Caution: Filers may be able to claim these credits for qualified property where construction began before 2025. These credits cannot be claimed for qualified property whose construction began after 2024.

Line 11d

Enter the basis of any qualified small wind energy property placed in service during the tax year, if the property was acquired by the taxpayer or the basis is attributable to construction, reconstruction, or erection by the taxpayer.

See *Beginning of construction*, earlier.

Line 11e

Enter your applicable energy percentage. See *Increased Credit Amount Statement*, earlier, for more information.

Line 11g

Enter your applicable low-income communities bonus credit percentage in connection with your small wind energy facility. See *Low-income communities bonus credit amount*, earlier, for more information.

However, you don't qualify for the low-income communities bonus credit if either of the following applies.

1. You checked the box in Part I, line 11g.
2. Part I, line 12b, is 5 MW ac or more (in relation to Part I, line 11a, 11b, 11c, or 11d).

In the case where either 1 or 2 above applies, enter -0- on lines 11g and 11m, and go to line 11n.

Line 11n

Enter your applicable domestic content bonus credit percentage. See *Domestic Content Certification Statement*, earlier, for more information.

If the energy project did not meet the requirements for the domestic content bonus credit, leave line 11n blank, skip line 11o, and go to line 11p.

Line 11p

Enter the applicable energy community bonus credit percentage. See *Energy community bonus credit rate*, earlier, for more information.

If the energy project was not placed in service within an energy community, leave line 11p blank, skip line 11q, and go to line 12.

Section G—Waste Energy Recovery Property

Waste energy recovery property. Qualified waste energy recovery property means property that generates electricity solely from heat from buildings or equipment if the primary purpose of such building or equipment is not the generation of electricity. The term "waste energy recovery property" shall not include any property that has a capacity in excess of 50 MW. For details, see section 48(c)(5).

Caution: Taxpayers cannot take a credit for both combined heat and power system property and waste energy recovery property for the same property. Taxpayers must elect not to treat such property as combined heat and power system property for section 48 purposes.

Note: The transitional rules of section 48(m) (as in effect on November 4, 1990) apply to waste energy recovery property for periods after 2020.

Caution: Filers may be able to claim these credits for qualified property where construction began before 2025. These credits cannot be claimed for qualified property whose construction began after 2024.

Line 13b

Enter your applicable energy percentage. See *Increased Credit Amount Statement*, earlier, for more information.

Line 13d

Enter your applicable domestic content bonus credit percentage. See *Domestic Content Certification Statement*, earlier, for more information.

If the energy project did not meet the requirements for the domestic content bonus credit, leave line 13d blank, skip line 13e, and go to line 13f.

Line 13f

Enter the applicable energy community bonus credit percentage. See *Energy community bonus credit rate*, earlier, for more information.

If the energy project was not placed in service within an energy community, leave line 13f blank, skip line 13g, and go to line 14.

Section H—Geothermal Heat Pump Systems

Geothermal heat pump systems. Geothermal heat pump systems constitute equipment that uses the ground or ground water as a thermal energy source to heat a structure or as a thermal energy sink to cool a structure. For details, see section 48(a)(3)(A)(vii).

Line 15b

Enter your applicable energy percentage. See *Increased Credit Amount Statement*, earlier, for more information.

Line 15d

Enter your applicable domestic content bonus credit percentage. See *Domestic Content Certification Statement*, earlier, for more information.

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If the energy project did not meet the requirements for the domestic content bonus credit, leave line 15d blank, skip line 15e, and go to line 15f.

Line 15f

Enter the applicable energy community bonus credit percentage. See *Energy community bonus credit rate*, earlier, for more information.

If the energy project was not placed in service within an energy community, leave line 15f blank, skip line 15g, and go to line 16.

Section I—Energy Storage Technology Property

Energy storage technology. Energy storage technology is:

- Property (other than property primarily used in the transportation of goods or individuals and not for the production of electricity) that receives, stores, and delivers energy for conversion to electricity (or, in the case of hydrogen, stores energy), and has a nameplate capacity of not less than 5 kilowatt hours; and
- Thermal energy storage property.

Modifications of certain property. In the case of any energy storage technology property described above that was either (1) placed in service before August 16, 2022, and that has a capacity of less than 5 kilowatt hours and is modified to where the property has a nameplate capacity of at least 5 kilowatt hours; or (2) is modified in a manner that increases the nameplate capacity to at least 5 kilowatt hours, the modified property will be treated as energy storage technology property, except for the treatment of the basis of the existing property prior to the modification.

Thermal energy storage property. Thermal energy storage property is property comprising a system that:

- Is directly connected to a heating, ventilation, or air conditioning system;
- Removes heat from, or adds heat to, a storage medium for subsequent use; and
- Provides energy for the heating or cooling of the interior of a residential or commercial building.

Thermal energy storage property doesn't include:

- A swimming pool,
- Combined heat and power system property,
- A building or its structural components, or
- Property that transforms other forms of energy into heat in the first instance. See Regulations section 1.48-9(e)(10)(iii).

Caution: Filers may be able to claim these credits for qualified property where construction began before 2025. These credits cannot be claimed for qualified property whose construction began after 2024.

Line 17a

Enter the basis of any energy storage technology property placed in service during the tax year, to the extent of basis attributable to construction, reconstruction, or erection by the taxpayer.

Line 17b

Enter your applicable energy percentage. See *Increased Credit Amount Statement*, earlier, for more information.

Line 17d

Enter your applicable low-income communities bonus credit percentage in connection with your solar or wind energy facility. See *Low-income communities bonus credit amount*, earlier, for more information.

However, you don't qualify for the low-income communities bonus credit if either of the following applies.

1. You checked the box in Part I, line 11g.
2. Part I, line 12a(ii) or 12b, is 5 MW ac or more (in relation to Part I, line 11a, 11b, 11c, or 11d).

In the case where either 1 or 2 above applies, enter -0- on lines 17d and 17j, and go to line 17k.

Line 17k

Enter your applicable domestic content bonus credit percentage. See *Domestic Content Certification Statement*, earlier, for more information.

If the energy project did not meet the requirements for the domestic content bonus credit, leave line 17k blank, skip line 17l, and go to line 17m.

Line 17m

Enter the applicable energy community bonus credit percentage. See *Energy community bonus credit rate*, earlier, for more information.

If the energy project was not placed in service within an energy community, leave line 17m blank, skip line 17n, and go to line 18.

Section J—Qualified Biogas Property

Qualified biogas property. Qualified biogas property is property comprising a system that:

1. Converts biomass (as defined in section 45K(c)(3), as in effect on August 16, 2022) into a gas that:
   a. Consists of not less than 52% methane by volume, or
   b. Is concentrated by such system into a gas that consists of not less than 52% methane, and
2. Captures such gas for sale or productive use, and not for disposal by means of combustion.

Qualified biogas property includes any property, described above, that is part of a system that cleans or conditions gas.

Caution: Filers may be able to claim these credits for qualified property where construction began before 2025. These credits cannot be claimed for qualified property whose construction began after 2024.

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Line 19a

Enter the basis of any qualified biogas energy property placed in service during the tax year, to the extent of basis attributable to construction, reconstruction, or erection by the taxpayer.

Line 19b

Enter your applicable energy percentage. See *Increased Credit Amount Statement*, earlier, for more information.

Line 19d

Enter your applicable domestic content bonus credit percentage. See *Domestic Content Certification Statement*, earlier, for more information.

If the energy project did not meet the requirements for the domestic content bonus credit, leave line 19d blank, skip line 19e, and go to line 19f.

Line 19f

Enter the applicable energy community bonus credit percentage. See *Energy community bonus credit rate*, earlier, for more information.

If the energy project was not placed in service within an energy community, leave line 19f blank, skip line 19g, and go to line 20.

Section K—Microgrid Controllers Property

Microgrid controller. Microgrid controller means equipment that is:

- Part of a qualified microgrid, and
- Designed and used to monitor and control the energy resources and loads on such microgrid.

Qualified microgrid. A qualified microgrid is an electrical system that:

1. Includes equipment that is capable of generating not less than 4 kilowatts and not more than 20 MW of electricity;
2. Is capable of operating:
   a. In connection with the electrical grid and as a single controllable entity with respect to such grid,
   b. Independently (and disconnected) from such grid, and
3. Is not part of a bulk-power system (as defined in section 215 of the Federal Power Act (16 U.S.C. 824o)).

Caution: Filers may be able to claim these credits for qualified property where construction began before 2025. These credits cannot be claimed for qualified property whose construction began after 2024.

Line 21a

Enter the basis of any qualified microgrid controller property placed in service during the tax year, to the extent of basis attributable to construction, reconstruction, or erection by the taxpayer.

Line 21b

Enter your applicable energy percentage. See *Increased Credit Amount Statement*, earlier, for more information.

Line 21d

Enter your applicable domestic content bonus credit percentage. See *Domestic Content Certification Statement*, earlier, for more information.

If the energy project did not meet the requirements for the domestic content bonus credit, leave line 21d blank, skip line 21e, and go to line 21f.

Line 21f

Enter the applicable energy community bonus credit percentage. See *Energy community bonus credit rate*, earlier, for more information.

If the energy project was not placed in service within an energy community, leave line 21f blank, skip line 21g, and go to line 22.

Section L—Qualified Investment Credit Facility Property

Qualified investment credit facility property. Qualified investment credit facility property is property:

- That is tangible personal property or other tangible property (not including a building or its structural components), but only if the property is used as an integral part of the qualified investment credit facility;
- That is constructed, reconstructed, erected, or acquired by the taxpayer;
- With respect to which depreciation or amortization is allowable; and
- For which the original use begins with the taxpayer.

See section 48(a)(5) for details.

Note: The transitional rules of section 48(m) (as in effect on November 4, 1990) apply to offshore wind facilities for periods after 2016. Under the transitional rules of section 48(m) (as in effect on November 4, 1990), the phaseout of the section 48 credit provided for other types of qualified investment credit facilities under section 48(a)(5)(E) does not apply to qualified offshore wind facilities.

Qualified investment credit facility. A qualified investment credit facility is a facility that:

1. Is one of the following qualified facilities that is placed in service after 2008 and on which construction began before 2025. These credits cannot be claimed for qualified property whose construction began after 2024. See *Beginning of construction*, earlier.
   a. Wind facility under section 45(d)(1).

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b. Closed-loop biomass facility under section 45(d)(2).

c. Open-loop biomass facility under section 45(d)(3).

d. Geothermal or solar energy facility under section 45(d)(4).

e. Landfill gas facility under section 45(d)(6).

f. Trash facility under section 45(d)(7).

g. Qualified hydropower facility under section 45(d)(9).

h. Marine and hydrokinetic renewable energy facility under section 45(d)(11).

i. Qualified offshore wind facility. See Notice 2021-5, 2021-03 I.R.B. 479, available at *IRS.gov/irb/2021-03_IRB#NOT-2021-5*, for more information on beginning of construction requirements applied to offshore and federal land projects.

2. No credit has been allowed under section 45 for that facility (see *Note* below); and

3. An irrevocable election was made to treat the facility as energy property.

Note: If a taxpayer retrofits an energy property that previously received a credit under section 45 by meeting the 80/20 Rule provided in section 7.05 of Notice 2018-59, 2018-28 I.R.B. 196, available at *IRS.gov/irb/2018-28_IRB#NOT-2018-59*, the taxpayer may claim an investment tax credit based on its investment. However, if the energy property is within the recapture period for the section 45 credit, the taxpayer may have to recapture all or part of such section 45 credit accordingly.

Qualified offshore wind facility. For purposes of section 48(a)(5), qualified offshore wind facility means a qualified facility (within the meaning of section 45(d)(1)) that is located in the inland navigable waters of the United States or in the coastal waters of the United States.

Section 48(a)(5) Election Statement

If you are electing to treat a qualified investment credit facility as energy property, you must attach an election statement to Form 3468 for each qualified facility. The election statement must include the following information.

1. Your name and taxpayer identification number shown on the return.

2. For each qualified facility, include the following:

   a. The facility description (including the owner information, if different from the filer, in Part I, line 3b(i) and 3b(ii)) and the IRS-issued registration number (if applicable) of the qualified facility from Part I, line 1,

   b. An accounting of your basis in the energy property, and

   c. A depreciation schedule reflecting your remaining basis in the energy property after the energy credit is claimed.

3. A statement that you haven't and won't claim a section 1603 grant for new investment in the property for which you are claiming the energy credit.

4. A declaration, applicable to the statement and any accompanying documents, signed by you, or signed by a person currently authorized to bind you in such matters that states the following: "Under penalties of perjury, I declare that I have examined this statement, including accompanying documents, and to the best of my knowledge and belief, the facts presented in support of this statement are true, correct, and complete."

Caution: Filers may be able to claim these credits for qualified property where construction began before 2025. These credits cannot be claimed for qualified property whose construction began after 2024.

Line 23b

Enter your applicable energy percentage. See *Increased Credit Amount Statement*, earlier, for more information.

Line 23d

Enter your applicable low-income communities bonus credit percentage in connection with your wind energy facility. See *Low-income communities bonus credit amount*, earlier, for more information.

However, you don't qualify for the low-income communities bonus credit if either of the following applies.

1. You checked the box in Part I, line 11g.

2. Part I, line 12b, is 5 MW ac or more (in relation to Part I, line 11a, 11b, 11c, or 11d).

In the case where either 1 or 2 above applies, enter -0- on lines 23d and 23j, and go to line 23k.

Line 23e

Enter the amount of capacity limitation you were allocated in the allocation letter.

Note: The capacity limitation allocated for solar property is reported in direct current (dc). The capacity limitation allocated for wind property may be reported in either alternating current (ac) or dc.

Line 23k

Enter your applicable domestic content bonus credit percentage. See *Domestic Content Certification Statement*, earlier, for more information.

If the energy project did not meet the requirements for the domestic content bonus credit, leave line 23k blank, skip line 23l, and go to line 23m.

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Line 23m

Enter the applicable energy community bonus credit percentage. See *Energy community bonus credit rate*, earlier, for more information.

If the energy project was not placed in service within an energy community, leave line 23m blank, skip line 23n, and go to line 24.

Section M—Clean Hydrogen Production Facilities as Energy Property

Election to treat clean hydrogen production facilities as energy property. In the case of any qualified property (as defined in section 48(a)(5)(D)) that is part of a specified clean hydrogen production facility, such property will be treated as energy property for purposes of this section, and the energy percentage with respect to such property is as follows.

- 1.2% in the case of a facility that is designed and reasonably expected to produce qualified clean hydrogen that is described in section 45V(b)(2)(A).
- 1.5% in the case of a facility that is designed and reasonably expected to produce qualified clean hydrogen that is described in section 45V(b)(2)(B).
- 2% in the case of a facility that is designed and reasonably expected to produce qualified clean hydrogen that is described in section 45V(b)(2)(C).
- 6% in the case of a facility that is designed and reasonably expected to produce qualified clean hydrogen that is described in section 45V(b)(2)(D).

Denial of production credit. No credit will be allowed under section 45V or section 45Q for any tax year with respect to any specified clean hydrogen production facility or any carbon capture equipment included at such facility.

Specified clean hydrogen production facility. Specified clean hydrogen production facility means any qualified clean hydrogen production facility that meets the following.

- Owned by the taxpayer.
- Produces qualified clean hydrogen.
- Construction begins before 2028.
- Is placed in service after 2022.
- No credit has been allowed under section 45V or 45Q.
- The taxpayer makes an irrevocable election to treat clean hydrogen production facility as energy property under section 48(a)(15).
- An unrelated third party has verified (in such form or manner as the Secretary may prescribe) that such facility produces hydrogen through a process that results in lifecycle greenhouse gas emissions that are consistent with the hydrogen that the facility was designed and expected to produce as specified in the *Section 48(a)(15) Election Statement*, described below.

Qualified clean hydrogen. Qualified clean hydrogen means hydrogen that is produced through a process that results in a lifecycle greenhouse gas emissions rate of not greater than 4 kilograms of CO_2e per kilogram of hydrogen.

Qualified clean hydrogen also requires the following.

- Hydrogen is produced in the United States (as defined in section 638(1)) or a territory of the United States (as defined in section 638(2)).
- Hydrogen is produced in the ordinary course of a trade or business of the taxpayer.
- Hydrogen is produced for sale or use.
- The production and sale or use of such hydrogen is verified by an unrelated party.

Section 48(a)(15) Election Statement

If you are electing to treat qualified property that is part of a specified clean hydrogen production facility as energy property, you must attach a statement to Form 3468 for each qualified facility. The election statement must include the following information.

1. Your name and taxpayer identification number shown on the return.
2. For each qualified facility, include the following:
   a. The facility description (including the owner information, if different from the filer from Part I, line 3b(i) and 3b(ii)) and the IRS-issued registration number (if applicable) of the qualified facility from Part I, line 1.
   b. The lifecycle greenhouse gas (GHG) emission rate from Part I, line 2a(i) of the facility for the tax year.
   c. A copy of the required verification report and if you are petitioning for a provisional emissions rate, a copy of the documentation obtained from the Department of Energy providing an emissions value.
3. An attestation that the facility produced hydrogen through a process that results in a lifecycle GHG emissions rate that is consistent with, or lower than, the lifecycle GHG emissions rate of the hydrogen that such facility was designed and expected to produce.
4. A statement that you haven't claimed and aren't claiming a section 45V or 45Q credit for the facility for which you are claiming the energy credit.
5. A statement (if applicable) that you are making an irrevocable election to determine the lifecycle GHG emissions rate of your facility's hydrogen production pathway using one of the following versions of 45VH2-GREET:
   a. The latest version of 45VH2-GREET that was available on the date when construction of your facility began, which you will use for the current tax year and all remaining tax years in the recapture period.
   b. The first version of 45VH2-GREET (that is, the version of 45VH2-GREET that was released in December 2023), which you will use for the current tax year and all remaining tax years in the recapture period.
   c. The first version of 45VH2-GREET that includes your facility's hydrogen production pathway, which

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you will use for the first tax year that your pathway becomes included in 45VH2-GREET and all remaining tax years in the recapture period.

For information on identifying which version of 45VH2-GREET you may elect to use, see section 48(a)(15), Department of Energy, Clean Hydrogen Production Tax Credit (45V) Resources, available at *www.energy.gov/articles/clean-hydrogen-production-tax-credit-45v-resources*, and Department of Energy, 45V Emissions Value Request, available at *www.energy.gov/eere/45v-emissions-value-request*.

6. A declaration, applicable to the statement and any accompanying documents, signed by you, or signed by a person currently authorized to bind you in such matters that states the following: "Under penalties of perjury, I declare that I have examined this statement, including accompanying documents, and to the best of my knowledge and belief, the facts presented in support of this statement are true, correct, and complete."

Line 25a

Enter the basis of property placed in service during the tax year for the facility that is designed and reasonably expected to produce, through a process, qualified clean hydrogen that results in a lifecycle greenhouse gas emission rate no greater than 4 kilograms of CO_2e per kilogram of hydrogen and not less than 2.5 kilograms as described in section 45V(b)(2)(A).

Line 25b

Enter your applicable energy percentage. See *Increased Credit Amount Statement*, earlier, for more information.

Line 25d

Enter the basis of property placed in service during the tax year for the facility that is designed and reasonably expected to produce, through a process, qualified clean hydrogen that results in a lifecycle greenhouse gas emission rate less than 2.5 kilograms of CO_2e per kilogram of hydrogen and not less than 1.5 kilograms as described in section 45V(b)(2)(B).

Line 25e

Enter your applicable energy percentage. See *Increased Credit Amount Statement*, earlier, for more information.

Line 25g

Enter the basis of property placed in service during the tax year for the facility that is designed and reasonably expected to produce, through a process, qualified clean hydrogen that results in a lifecycle greenhouse gas emission rate less than 1.5 kilograms of CO_2e per kilogram of hydrogen and not less than 0.45 kilograms as described in section 45V(b)(2)(C).

Line 25h

Enter your applicable energy percentage. See *Increased Credit Amount Statement*, earlier, for more information.

Line 25j

Enter the basis of property placed in service during the tax year for the facility that is designed and reasonably expected to produce, through a process, qualified clean hydrogen that results in a lifecycle greenhouse gas emission rate less than 0.45 kilograms of CO_2e per kilogram of hydrogen as described in section 45V(b)(2)(D).

Line 25k

Enter your applicable energy percentage. See *Increased Credit Amount Statement*, earlier, for more information.

Section N—Totals and Credit Reduction for Tax-Exempt Bonds

Line 28

If proceeds of tax-exempt bonds were used to finance your facility, continue to line 28a. If proceeds of tax-exempt bonds were not used to finance your facility, skip lines 28a through 28e, and go to line 29.

Credit reduced for tax-exempt bonds. The amount of the credit with respect to any facility for any tax year will be reduced by the amount that is the product of the amount of the credit determined without the reduction of tax-exempt bonds for such year and the lesser of one of the following.

- 15%.
- A fraction. The numerator is the sum for the tax year and all prior tax years of proceeds of an issue of any obligations the interest on which is exempt from tax under section 103 and that is used to provide financing for the qualified facility, as of the close of the tax year. The denominator is the aggregate amount of additions to the capital account for the qualified facility for the tax year and all prior tax years, as of the close of the tax year.

Note: The credit reduction for tax-exempt bonds, lines 28a through 28e, applies to construction, reconstruction, or erection of an energy property that began after August 16, 2022.

Line 30

Elective payment phaseout for applicable entities. If you are making an elective payment election for a facility whose construction began in calendar year 2024, and the facility does not satisfy the rules of section 48(a)(12)(B), does not have a maximum net output of less than 1 MW (as measured in alternating current), or meet an exception under section 45(b)(10)(D), multiply line 29 by 90% (0.90).

Exception to elective payment phaseout. For facilities whose construction began during calendar year 2024, Notice 2024-09 (extended by Notice 2024-84) provides transitional procedures to claim the statutory

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exceptions to the elective payment phaseout related to the domestic content requirement.

To substantiate your claim of exception to the elective payment phaseout, you must complete and attach a statement to Form 3468. The statement must say, under penalties of perjury, that you have reviewed the requirements for the increased cost exception and the non-availability exception under section 45(b)(10)(D), and have made a good faith determination that the qualified facility meets the requirements for the increased cost exception and/or the non-availability exception, as applicable. The statement must be signed by a person with the legal authority to bind the applicable entity in federal tax matters. For more information, see Notice 2024-09, 2024-02 I.R.B. 358, available at *IRS.gov/irb/ 2024-02_IRB#NOT-2024-9* and Notice 2024-84, 2024-50 I.R.B. 1229, available at *IRS.gov/irb/ 2024-50_IRB#NOT-2024-84*.

Line 31

Patrons, including cooperatives that are patrons in other cooperatives, enter the unused investment credit from the energy credit allocated from cooperatives. If you are a cooperative, see the instructions for Form 3800, Part III, line 4a, for allocating the investment credit to your patrons.

Tip: See *Cooperatives*, earlier, for filing Form 3468 to report any unused credits from cooperatives.

Line 32

Partnership or S corporation. If you are a partnership or S corporation electing to transfer the energy credit with respect to a facility or property (or portion thereof) under section 6418(c), you must report the total credit amount with respect to your facility on line 32 and Form 3800, Part III, line 4a.

Part VII—Rehabilitation Credit Under Section 47

You are allowed a credit for qualified rehabilitation expenditures made for any qualified rehabilitated building. You must reduce your basis by the amount of the credit determined for the tax year. See Regulations section 1.47-7.

If the adjusted basis of the building is determined in whole or in part by reference to the adjusted basis of a person other than the taxpayer, see Regulations section 1.48-12(b)(2)(viii) for additional information that must be attached.

Qualified rehabilitated building. To be a qualified rehabilitated building, your building must meet all of the following requirements.

1. **The building must be a certified historic structure.** A certified historic structure is any building:
   a. Listed in the National Register of Historic Places, or
   b. Located in a registered historic district (as defined in section 47(c)(3)(B)) and certified by the Secretary of the Interior as being of historic significance to the district.

   Certification requests are made through your State Historic Preservation Officer on National Park Service (NPS) Form 10-168, Historic Preservation Certification Application. The request for certification should be made prior to physical work beginning on the building.
2. **The building must be substantially rehabilitated.** A building is considered substantially rehabilitated if your qualified rehabilitation expenditures during a self-selected 24-month period that ends with or within your tax year are more than the greater of $5,000 or your adjusted basis in the building and its structural components. Figure adjusted basis on the first day of the 24-month period or the first day of your holding period, whichever is later. If you are rehabilitating the building in phases under a written architectural plan and specifications that were completed before the rehabilitation began, substitute "60-month period" for "24-month period."
3. **Depreciation must be allowable with respect to the building.** Depreciation isn't allowable if the building is permanently retired from service. If the building is damaged, it isn't considered permanently retired from service where the taxpayer repairs and restores the building and returns it to actual service within a reasonable period of time.
4. **The building must have been placed in service before the beginning of rehabilitation.** This requirement is met if the building was placed in service by any person at any time before the rehabilitation began.

Qualified rehabilitation expenditures. To be qualified rehabilitation expenditures, your expenditures must meet all of the following requirements.

1. The expenditures must be for:
   a. Nonresidential real property,
   b. Residential rental property (but only if a certified historic structure; see Regulations section 1.48-1(h)), or
   c. Real property that has a class life of more than 12.5 years.
2. The expenditures must be incurred in connection with the rehabilitation of a qualified rehabilitated building.
3. The expenditures must be capitalized and depreciated using the straight line method.
4. The expenditures can't include the costs of acquiring or enlarging any building.
5. If the expenditures are in connection with the rehabilitation of a certified historic structure or a building in a registered historic district, the rehabilitation must be certified by the Secretary of the Interior as being consistent with the historic character of the property or district in which the property is located.

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6. The expenditures can't include any costs allocable to the part of the property that is (or may reasonably be expected to be) tax-exempt use property (as defined in section 168(h) except that "50%" shall be substituted for "35%" in paragraph (1)(B)(iii)). This exclusion doesn't apply for line 1f.

Line 1a

Check the appropriate box whether there was any charitable conservation contribution deduction under section 170(h) claimed for the property on which you are claiming a credit for a certified historic structure.

Line 1b

If you checked "Yes" to line 1a, you must provide the NPS project number. The NPS project number is assigned:

- By NPS to a certified historic structure;
- To a building on a property that has multiple buildings that is individually listed in the National Register of Historic Places referenced in section 170(h)(4)(C)(i); or
- To a building that is in a historic district referenced in section 170(h)(4)(C)(ii).

If the property is a single building individually listed in the National Register of Historic Places, enter five zeros ("00000") in the NPS project number field. For more details on the NPS project number for easements on certified historic structures, see the Instructions for Form 8283, Noncash Charitable Contributions. For more information on charitable conservation contribution deduction of certified historic structures, see Pub. 526, Charitable Contributions.

Line 1c

For credit purposes, the expenditures are generally taken into account for the tax year in which the qualified rehabilitated building is placed in service. However, with certain exceptions, you may elect to take the expenditures into account for the tax year in which they were paid (or, for a self-rehabilitated building, when capitalized) if:

- The normal rehabilitation period for the building is at least 2 years, and
- It is reasonable to expect that the building will be a qualified rehabilitated building when placed in service.

For details, see section 47(d). To make this election, check the box on line 1c. The credit, as a percentage of expenditures paid or incurred during the tax year for any qualified rehabilitated building, depends on the type of structure and its location.

Line 1j

For qualified rehabilitation expenditures paid or incurred after 2017, a 20% credit is determined with respect to the qualified rehabilitation expenditures and allowed ratably over a 5-year period beginning in the tax year that the qualified rehabilitated building is placed in service.

Note: The amount reported on Line 1j represents the 4% credit. This amount is allowed ratably over a 5-year period. Do **not** enter the full 5-year 20% credit amount on this line.

Line 1k

If you're claiming a credit for a certified historic structure on line 1j, enter the following.

- On line 1k(i), the assigned NPS project number. If a lessee, the lessor will provide the lessee with the NPS project number to enter on line 1k(i).
- On line 1k(ii), the EIN of the pass-through entity if the qualified rehabilitation expenditures are from an S corporation, partnership, estate, or trust.
- On line 1k(iii), the date of the final certification of completed work received from the Secretary of the Interior.

If you have more than one property that qualifies for the rehabilitation credit, attach a schedule showing the certified historic structure property, NPS number, date of final certification, and the partnership employer identification number (EIN), if applicable.

Line 1m

Certification of completed work not received by time of filing. If the final certification hasn't been received by the time the tax return is filed for a year in which the credit is claimed, enter the date that is 30 months after the date that the original rehabilitation credit was claimed for the property, and attach a copy of the first page of NPS Form 10-168, Historic Preservation Certification Application (Part 2—Description of Rehabilitation), with an indication that it was received by the Department of the Interior or the State Historic Preservation Officer, together with proof that the building is a certified historic structure (or that such status has been requested).

After the final certification of completed work has been received, file Form 3468 with the first income tax return filed after receipt of the certification and enter the assigned NPS project number and the date of the final certification of completed work on the appropriate lines on the form. Also, attach an explanation and indicate the amount of credit claimed in prior years.

Failure to receive final certification of completed work within 30 months. If you didn't receive final certification of completed work prior to the date that is 30 months after the date that you filed the tax return on which the credit was claimed, you must submit, before the last day of the 30th month, a written statement to the IRS stating that fact. You will be asked to consent to an agreement under section 6501(c)(4) extending the period of assessment for any tax relating to the time for which the credit was claimed.

See *IRS.gov/FilingCertainCFRs* for the most current mailing address for submitting the written statement required under CFR citation 1.48-12(d)(7)(ii).

Final certification of completed work. You must retain a copy of the final certification of completed work as long as its contents may be needed for the administration of any provision of the Code.

Caution: If the final certification is denied by the Department of the Interior, the credit is disallowed for any tax year in which it was claimed, and you must file an amended return if necessary. See Regulations section 1.48-12(d)(7)(ii) for details.

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Line 2

Patrons, including cooperatives that are patrons in other cooperatives, enter the unused investment credit from the rehabilitation investment credit allocated from cooperatives. If you are a cooperative, see the instructions for Form 3800, Part III, line 4k, for allocating the investment credit to your patrons.

Tip: See *Cooperatives*, earlier, for filing Form 3468 to report any unused credits from cooperatives.

Paperwork Reduction Act Notice. We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated burden for individual and business taxpayers filing this form is approved under OMB control number 1545-0074 and 1545-0123 and is included in the estimates shown in the instructions for their individual and business income tax return. The estimated burden for all other taxpayers who file this form is shown below.

Recordkeeping	18 hr., 39 min.
Learning about the law or the form	6 hr., 21 min.
Preparing and sending the form to the IRS	10 hr., 55 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. See the instructions for the tax return with which this form is filed.

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