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Full applications for qualifying advanced energy project tax credit due by October 18

The U.S. Department of Treasury, IRS, and Department of Energy (DOE) have opened full applications for round 2 of the qualifying advanced energy project tax credit (48C) program. Over 800 project proposals were received, seeking nearly \$40 billion in tax credits and representing \$200 billion in investments. Approximately \$10.3 billion of the requests are from projects in designated energy communities census tracts.

According to today's IRS release—[IR-2024-228](#)—more than 450 projects across 46 states and D.C., requesting over \$22.5 billion in tax credits, have been encouraged to apply. These projects must meet prevailing wage and apprenticeship requirements to qualify for a 30% investment tax credit. Up to \$6 billion in tax credits are available for this round, including \$2.5 billion for projects in designated energy communities.

Applicants who submitted a concept paper, whether they received an encourage or discourage letter, can now submit full applications on the 48C portal through October 18, 2024.

The 48C program, funded by the "Inflation Reduction Act," aims to boost domestic clean energy manufacturing and reduce greenhouse gas emissions at industrial facilities. At least \$4 billion of the \$10 billion total will be allocated to projects in designated section 48C energy communities—communities with closed coal mines or coal plants.

The IRS in May 2024 announced that the section 48C portal was opened for taxpayers to submit a concept paper and begin the process of seeking a section 48C credit allocation in the second allocation round. Read [TaxNewsFlash](#)

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