

# Energize Connecticut<sup>SM</sup> Heat Pump Installer Network IRA Fact Sheet

The Inflation Reduction Act (IRA) is a law aimed at promoting clean energy and reducing greenhouse gas emissions. It includes tax credits and rebates to facilitate the purchase and installation of energy-efficient and electrification upgrades, including weatherization, heat pumps, heat pump water heaters, and electric panel upgrades. Here are the details:

- 30 percent capped tax credit for residential efficiency and electrification upgrades, up to \$3,200 per year
  - Annual total credit for air source heat pumps and heat pump water heaters capped at \$2,000
  - Up to \$600 for electrical panel upgrades if they are installed in conjunction with and enable a heat pump or heat pump water heater
  - Up to \$1200 for insulation and air sealing (products only, labor costs not eligible for credits)
- The tax credit limit is annual (not lifetime), so it resets each year and can be used again
- Households must have adequate tax liability to claim credits
- 30 percent tax credit for ground source heat pumps has no annual cap and can be carried forward year-to-year

## Qualifying Equipment

The Heat Pump Qualified Products List (HPQPL) specifies exactly what equipment qualifies for the tax credit. Head to [EnergizeCT.com/HPQPL](https://energizect.com/HPQPL) for more information.



## Stay Connected

The Energize CT contractor support team is here to help. Reach out to [EnergizeCT@AbodeEM.com](mailto:EnergizeCT@AbodeEM.com) with any questions.

## Customer Resources

Your customers can receive additional support with their heat pump projects through Energize CT. No-cost virtual consultations are available at [EnergizeCT.com/HeatPumpConsult](https://energizect.com/HeatPumpConsult).

Take advantage of this guide and other resources you can share with your customers, including the [Energize CT guide to IRA tax incentives](#).

To learn more, visit

[EnergizeCT.com/IRA-Tax-Credit](https://energizect.com/IRA-Tax-Credit)

[ENERGYSTAR.gov/taxcredits](https://ENERGYSTAR.gov/taxcredits)

Disclaimer: This summary does not represent tax advice. Outside tax counsel may be required to consider tax credit project structure, and rules and guidance from the Federal government and the Connecticut government are pending.

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