

Inflation Reduction Act of 2022

# Tax Incentives for Homebuilders (Section 45L)



## ENERGY EFFICIENT HOME CREDIT (SECTION 45L) AND THE INFLATION REDUCTION ACT

The Inflation Reduction Act (IRA) of 2022<sup>1</sup>, includes reference to energy performance requirements that must be met to qualify for the Energy Efficient Home Credit (Section 45L). This provides Federal tax credits for single family homes, manufactured homes, and large multifamily residential buildings that were/are placed in service between Jan. 1, 2023 and Dec. 31, 2032.

### What's New or Changing with the Energy Efficient Home Credit (Section 45L)?

- Credit is extended for 10 years, through 2032
- Opportunity is higher per dwelling: up to \$2,500 (meet or exceed ENERGY STAR® requirements)  
up to \$5,000 (meet or exceed Department of Energy (DOE) zero-energy ready)
- Multifamily projects are no longer restricted to 3 stories or less
- Low Income Housing Tax Credit (LIHTC) can be used in addition where applicable

### Eligible Products

DuPont air, thermal and weatherization products work together to make your job easier, and your homes perform better. With 70 years of industry-leading building science and expertise, we provide toughness and solutions you can trust.

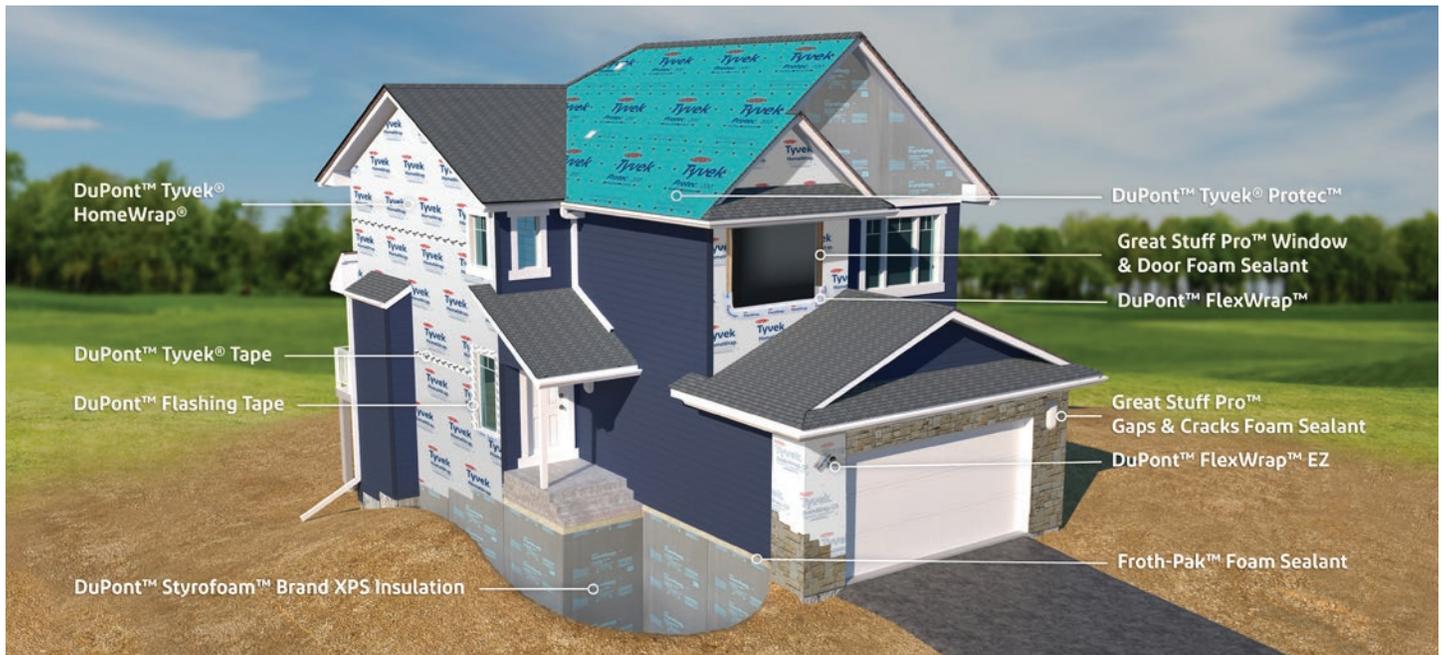
Our full line — including DuPont™ Tyvek® Weatherization Systems, DuPont™ Styrofoam™ Brand XPS Insulation, and Great Stuff Pro™ Foam Sealant — in combination with our building science and specialist network helps you build better from every angle.

The following thermal, air and water-resistive barrier products and systems help meet [ENERGY STAR®](#) or [Department of Energy \(DOE\) zero-energy ready home program](#) requirements, and will support eligibility for Energy Efficient Home Credit (Section 45L), when they are properly installed in accordance with DuPont's most recently published installation guidelines.

Water-Resistive Barrier	Air Sealing	Thermal Insulation	
●	●		DuPont™ Tyvek® Water-Resistive and Air Barrier products and systems
●	●	●	DuPont™ Styrofoam™ Brand XPS Insulation products
●	●		DuPont™ Weathermate™ Housewrap products and systems
●	●	●	DuPont™ ArmorWall™ Systems
●	●	●	DuPont™ Thermax™ Brand ISO products and systems
		●	DuPont™ Tuff-R™ ISO Insulation
	●	●	Froth-Pak™ Foam Sealant and Insulation products
	●		Great Stuff™ and Great Stuff Pro™ Foam Sealant products



<sup>1</sup> The Inflation Reduction Act (IRA) of 2022 was signed into law August 16, 2022.



## How to Meet Requirements

The requirements to meet ENERGY STAR® and DOE Zero-Energy Ready Home (ZERH) include many factors, such as building envelope design. DuPont products and systems can help you meet the envelope requirements of these programs. The table below shows a sample of envelope requirements from the latest versions, but this can vary by location. Be sure to refer to ENERGY STAR® and DOE to understand which guidelines apply and their full details.

	Single Family	Multifamily
<b>ENERGY STAR® Requirements</b>	National Program Requirements, V3.2 Rev. 12 <ul style="list-style-type: none"> <li>Insulation levels modeled to 2021 IECC and Grade I installation per ANSI / RESNET / ICC 301</li> <li>Infiltration Rate modeled at 3 ACH50</li> </ul>	National Program Requirements, V1.2 Rev. 3 <ul style="list-style-type: none"> <li>Insulation values at or above 2021 IECC and Grade I installation per ANSI / RESNET / ICC 301</li> <li>Infiltration Rate maximum 0.3 CFM50/ft<sup>2</sup> of enclosure</li> </ul>
<b>DOE Zero-Energy Ready Home (ZERH) Requirements</b>	National Program Requirements, V2 <ul style="list-style-type: none"> <li>ENERGY STAR® V 3.2 certified as baseline</li> <li>Infiltration SF Detached (ACH50): CZs 1-2: 2.75   CZ 3,4A, 4B: 2.25   CZs 4C, 5-7: 2.0   CZ 8: 1.5</li> <li>Infiltration SF Attached (ACH50): 3.0</li> </ul>	National Program Requirements, V2 (03/23 Draft) <ul style="list-style-type: none"> <li>ENERGY STAR® V 1.2 certified as baseline</li> <li>Infiltration Rate 0.25 CFM50/ft<sup>2</sup> of enclosure surface</li> </ul>

## Eligibility for 45L Homebuilder Tax Credit

This credit is available to builders, contractors, and designers of new residential construction projects. All official information related to the tax credit will be determined and published by the IRS. Use Form 8908 to file this credit. All revisions are available at [www.irs.gov/form8908](http://www.irs.gov/form8908).

DuPont is committed to delivering the highest level of service, providing quality products, and supporting investment in solutions that help decarbonize the built environment.

**For more information visit [building.dupont.com](http://building.dupont.com) or call 1-833-338-7668**

This information is prepared for informational purposes only and is based upon our understanding at the time of preparation of this document of rules and regulations governing the Energy Efficient Home Credit (Section 45L) under the tax code. It is subject to change. This information is not intended to provide legal, tax or accounting advice regarding the Customer's ability to claim such a tax credit. Customer is solely responsible and should consult with their tax, legal or accounting advisor in determining their eligibility (including amount of credit) under the current tax code and other applicable regulations for claiming such a tax credit. DuPont make no warranties, express or implied, and assumes no liability in connection with the accuracy or use of this information. This information is not intended for use by others for advertising, promotion, or other publication for commercial purposes.



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