

As defined in the Inflation Reduction Act (IRA), the Energy Community Tax Credit Bonus applies a bonus of up to 10% (for production tax credits) or 10 percentage points (for investment tax credits) for projects, facilities, and technologies located in energy communities. Increased credit amounts or rates are available to taxpayers that satisfy certain energy community requirements under [Section 45, 48, 45Y, or 48E of the Internal Revenue Code](#). The IRA defines energy communities as:

1. A “brownfield site” (as defined in certain subparagraphs of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA))
2. A “metropolitan statistical area” or “non-metropolitan statistical area” that has (or had at any time after 2009)
 - 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; and
 - has an unemployment rate at or above the national average unemployment rate for the previous year
3. A census tract (or directly adjoining census tract)
 - in which a coal mine has closed after 1999; or
 - in which a coal-fired electric generating unit has been retired after 2009