

Low-Income Communities Bonus Credit Applications Opening Date Announced



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The U.S. Department of Treasury (Treasury) and the Internal Revenue Service (IRS) announced on May 13, 2024, the opening date for applications for the 2024 program year of the Low-Income Communities Bonus Credit Program (Bonus Credit Program) under Section 48(e) of the Internal Revenue Code. Last month we published an [article](#) detailing the IRS procedural guidance on wind and solar projects eligible for the Bonus Credit Program in the 2024 program year. Consult this and [other articles](#) for additional information on the Bonus Credit Program and other energy tax credit opportunities.

In this recent announcement, the Treasury and IRS revealed that applications for the 2024 program year of the Bonus Credit Program will open at 9:00 a.m. Eastern Time on May 28, 2024. To ensure that all applicants have an equal opportunity to participate in the Bonus Credit Program, all applications submitted in the first thirty days (or by 11:59 p.m. Eastern Time on June 27, 2024) will be treated as submitted on the same date and at the same time. After this initial period, applications will be accepted on a rolling basis.

In addition to the annual 1.8 gigawatts of capacity available, approximately 325 megawatts of capacity will be rolled over from the 2023 program year. This means that for the 2024 program year, there is approximately 2.1 gigawatts of capacity available that will be allocated for the 2024 program year as follows:

Eligibility Description	Category or Subcategory	Total 2024 Capacity Available (in megawatts)
Category 1: located in a low-income community [Total 800 megawatts]	1a: Eligible Residential Behind the Meter	250
	1b: Eligible Residential Behind the Meter – Additional Selection Criteria	250
	1c: Other Facilities	100
	1d: Other Facilities – Additional Selection Criteria	200
Category 2: Located	2a: Located on Native	100

on Native American lands [Total 200 megawatts]	American lands 2b: Located on Native American lands – Additional Selection Criteria	100
Category 3: Qualified Low-Income Residential Building Project [Total 224.8 megawatts]	3a: Qualified Low-Income Residential Building Project 3b: Qualified Low-Income Residential Building Project – Additional Selection Criteria	100 124.8
Category 4: Low-Income Economic Benefit Project [Total 900 megawatts]	4a: Low-Income Economic Benefit Project 4b: Low-Income Economic Benefit Project – Additional Selection Criteria	400 500
TOTAL		2,124.8

The Bonus Credit Program provides a 10 percent increase in the investment tax credit for solar and wind facilities installed in Category 1 and Category 2 and a 20 percent increase for qualified solar and wind facilities in Category 3 and Category 4.

On May 16, 2024 at 1:00 p.m. Eastern Time the Treasury and U.S. Department of Energy will host a public webinar to provide information about the application process for the 2024 program year. Potential applicants for the 2024 program year can register for the webinar from this [link](#).

Applicants are strongly encouraged to submit applications as soon as possible after the opening date to receive equal consideration for an allocation of the available capacity for the 2024 program year.