**SCENARIOS**

SLIDE 1

Today we’re going to learn how different household sizes and incomes could take advantage of the clean energy incentives within the Inflation Reduction Act of 2022.

A little background about the Inflation Reduction Act. This bill represents the largest investment into [addressing climate change](https://en.wikipedia.org/wiki/Climate_change_policy_of_the_United_States) in United States history.

Here the headline: The law is projected to reduce 2030 U.S. [greenhouse gas emissions](https://en.wikipedia.org/wiki/Greenhouse_gas_emissions_by_the_United_States) to 40% below 2005 levels. **This is a game changer**.

The Inflation Reduction Act of 2022 is a landmark [federal law](https://en.wikipedia.org/wiki/Law_of_the_United_States) which aims to curb [inflation](https://en.wikipedia.org/wiki/Inflation) by

* [reducing the deficit](https://en.wikipedia.org/wiki/Deficit_reduction_in_the_United_States),
* lowering [prescription drug prices](https://en.wikipedia.org/wiki/Prescription_drug_prices_in_the_United_States), and
* investing into domestic energy production while promoting [clean energy](https://en.wikipedia.org/wiki/Clean_energy).

It was passed by [Congress](https://en.wikipedia.org/wiki/117th_United_States_Congress) and signed into law by President [Biden](https://en.wikipedia.org/wiki/Joe_Biden) on August 16, 2022.

The law will raise $738 billion and authorize

* Nearly 400 billion in spending on [energy](https://en.wikipedia.org/wiki/Energy_in_the_United_States) and climate change initiatives,
* More than $200 billion in deficit reduction,
* 3 years of [Affordable Care Act](https://en.wikipedia.org/wiki/Affordable_Care_Act) subsidies, prescription drug reform; and more.

SLIDE 2

This is the Coleman family, from New London. They own a 1300 square foot three bedroom home built in the mid-1960s and they heat it with propane. They have an annual income of $55,000 which is under the 80% Area Median Income for New London, which is approximately $83,000.

The Coleman family qualifies for upfront discounts, point of sale rebates, up to 100% covered for the home improvements that they need to make.

SLIDE 3

This chart shows what those improvements may be over the next several years for the Coleman family. This year they're in the market for a new stove. They have a propane range, they want to buy an electric range or an induction range. 100% of the cost is covered thanks to HEEHRA.

In a few years they're looking to get rid of their gas car and they want to buy a used EV (electric vehicle). They would qualify for $4,000 tax credit for a qualified used EV. Maybe they're buying a used Nissan Leaf for fourteen thousand dollars, they could get a four thousand dollar tax credit for that purchase.

SLIDE 4

Next is the Garcia family in Worthington. A family of five who own a 1600 square foot, four bedroom home built in the early 1970s, heated with natural gas. Their income is $115,000, which for the Worthington area is below the 150% Area Median Income (AMI for Worthington is $83,000). They qualify for 50% rebate discounts on their electrification costs, with a maximum of $14,000 in rebates.

SLIDE 5

The Garcia family wants to get rid of their gas car and buy a used EV, $17,000 with $4,000 tax credit. Throughout the years they're looking for a new stove, new furnace, and they want a solar array on their home, 30% tax credit for that new solar array in 2028 for the Garcia family.

SLIDE 5

The Clean Energy Resource Teams share tools and resources to keep you informed on how to save energy and money with energy efficiency methods and clean energy options. Visit their Guide to the Inflation Reduction Act for updates to help you take advantage of the clean energy incentives within the bill: <https://www.cleanenergyresourceteams.org/inflation-reduction-act-what-you-need-know>

Thank you, this is the end of the Household Scenarios presentation.

***Please note:*** *We're sharing resources to assist Minnesotans who are seeking information about federal funding opportunities. These resources are based on preliminary information released by the federal government. Program information may change as more guidance is provided by federal and state governments. For specific information on federal funding, please visit the relevant U.S. Government websites and consult with tax professionals regarding tax incentives that apply to you.*