



Low-Income Communities Bonus Credit Program

20% bonus credit **for a 'qualified low-income residential building project'**

Does the housing qualify under one of the following programs?

- Multifamily rental housing under section 236 of the National Housing Act;
- Housing program administered by a Tribally designated housing entity;
- Federal housing programs that provide affordable housing to low and moderate-income persons through restricted rents or rental assistance, or other affordable housing opportunities, which HUD identifies as covered by the Violence Against Women Act. (Additional examples available: 34 U.S. Code 12491(a)(3))

Read more about how and when to apply along with other Frequently Asked Questions in this blog.

If yes, how are the financial benefits of the project distributed?

The financial benefits of the electricity produced by such facility must be allocated equitably among the occupants. We expect the federal government to release further guidance to clarify these eligibility criteria.

Other credits that can be stacked on top of this one:

- 10% bonus credit for projects located in an "energy community"
- 10% bonus credit for projects that are manufactured domestically

Exclusive credits that cannot be stacked:

This credit cannot be combined with any other credit within the Low-Income Communities Bonus Credit Program. 20% is the highest credit available within this Program, so eligible projects should pursue this credit and not one of the lower credits.

Learn more about the six available bonus credits in this set of fact sheets.

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Disclaimer: This guide provides an overview of the bonus credit program. It does not constitute professional tax advice nor should it be used as the only source of information when making decisions.

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