



Deloitte In-Kind Gift Acceptance

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SAN FRANCISCO
ENVIRONMENT
DEPARTMENT

Inflation Reduction Act (IRA) – 2022



- IRA elective pay (i.e., "direct pay") provisions allow tax-exempt and government entities to, for the first time, receive full-value tax credit payments for clean energy projects and purchases
- Local government entities that do not owe federal income tax may file an annual tax return via Form 990-T and claim direct pay for the full value of the investment tax credit
- The IRS then makes a refund payment in the amount of the credit to the local government

What is IRS “elective pay” or “direct pay”



Eligible projects

1) Energy Generation and Carbon Capture

Investment Tax Credit for Energy Property

2) Manufacturing

Advanced Energy Projects Credit

3) Vehicles

Credit for Qualified Commercial Clean Vehicles

4) Fuels

Clean Fuel Production Credit

A full list of eligible credits can be found at <https://www.irs.gov/pub/irs-pdf/p5817g.pdf>.

Deloitte, in-kind gift/pro bono consulting services



Summary

<p>Purpose:</p>	<ul style="list-style-type: none"> To help the City identify projects/programs/purchases that qualify for the Federal Government's "direct pay" program
<p>In-kind Gift Amount:</p>	<p>\$ 112,089</p>
<p>Timeframe:</p>	<p>\$ Upon approval, through May 31, 2025</p>
<p>Description/Deliverables</p>	<ul style="list-style-type: none"> Overall general education about program Assistance with planning & project scope Strategic analysis of projects Summary report that reviews programs and purchases that are eligible for "direct pay"

Questions & Thank You!

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