

IR-2024-280, Oct. 24, 2024

WASHINGTON — The Department of the Treasury and the Internal Revenue Service today issued [Revenue Procedure 2024-31 PDF](#) and [proposed regulations](#) to provide guidance for the Energy Efficient Home Improvement Credit.

The revenue procedure provides procedures and requirements that a manufacturer of specified property must follow to be treated as a qualified manufacturer (QM). To become a QM, a manufacturer must:

- Register and enter into an agreement with the IRS.
- Assign a qualified product identification number (PIN) unique to each item of specified property.
- Label such items with PINs.
- Make periodic reports to the IRS of PINs assigned.

Soon manufacturers will be able to use IRS Energy Credits Online Portal (IRS ECO) to register with the IRS. IRS ECO is a free electronic service that is secure and requires no special software, making it accessible to large and small businesses alike.

Manufacturers of qualifying products can use the IRS ECO platform to register and provide information to the IRS for filing purposes. In addition, IRS ECO incorporates validation checks and other risk-mitigation measures and allows for monitoring in real time of key metrics to include identification of customer-service enhancements and fraudulent activity.

For property placed in service beginning in 2023, a taxpayer may take a credit equal to 30% of the total amount paid for certain energy efficient products or for a home energy audit.

The credit is limited to certain amounts, per taxpayer and per tax year. A taxpayer may claim a total credit of up to \$3,200, with a general total limit of \$1,200, and a separate total limit of \$2,000 for electric or natural gas heat pump water heaters, electric or natural gas heat pumps, and biomass stoves or boilers that meet certain requirements.

The \$1,200 general limit also includes additional limitations specific to certain types of property that meet the requirements:

- \$600 for any item of qualified energy property.
- \$600 in total for exterior windows and skylights.
- \$250 for an exterior door.
- \$600 in total for exterior doors.
- Home energy audits are limited to \$150.

Beginning in 2025, for each item of specified property placed in service, no credit will be allowed unless the item was produced by a QM and the taxpayer includes the PIN for the item on the taxpayer's tax return.

Resources

- [Publication 5967, Energy Efficient Home Improvement Credit \(25C\) PDF](#)
- [Publication 5976, How to claim an Energy Efficient Home Improvement tax credit residential energy property PDF](#)
- [Publication 5978, How to claim an Energy Efficient Home Improvement tax credit home energy audit PDF](#)
- [Publication 5979, How to claim an Energy Efficient Home Improvement tax credit exterior doors, windows, skylights and insulation materials PDF](#)