



THE UNITED STATES
CONFERENCE OF MAYORS

New Report from the Alliance for a Sustainable Future Unlocking the Potential of the Inflation Reduction Act

The Inflation Reduction Act of 2022 is the nation's largest ever investment in climate and energy, authorizing approximately \$370 billion in spending in federal funding and tax credits. The landmark legislation, for the first time, provides tax-exempt entities, including local governments, the opportunity to receive the monetary benefit of tax credits directly from the federal government. The ability to directly take advantage of tax credits changes the way that cities can approach climate change mitigation and resilience projects and will make more carbon reduction and resilience strategies cost effective.

To help mayors understand how to structure, locate, scale, and finance transformative projects to meet their community needs and climate goals leveraging these new tax credit opportunities, we're excited to have released our latest report as part of our Alliance for Sustainable Future. The report highlights the importance of this historic new financial mechanism available to local governments by outlining which new tax credits are available, identifying potential opportunities to increase the tax credit value, and pinpointing which specific credits will be most useful to cities and local leaders. Access the full report at the following link:

<https://www.usmayors.org/2023/07/11/cities-advancing-climate-action-unlocking-the-potential-of-the-inflation-reduction-act/>

The Alliance for a Sustainable Future is a joint partnership between the U.S. Conference of Mayors and Center for Climate and Energy Solutions (C2ES). It's chaired by Mayor Erin Mendenhall of Salt Lake City. We thank AECOM for their support in developing this report.

Additional Resources

The White House:

<https://www.whitehouse.gov/cleanenergy/directpay/>

Treasury: <https://www.irs.gov/credits-deductions/elective-pay-and-transferability>

Treasury: <https://www.irs.gov/credits-and-deductions-under-the-inflation-reduction-act-of-2022>

Local Infrastructure Hub:

<https://localinfrastructure.org/resources/ira-guidance-for-local-leaders-webinar-recording-2/>

