

What you need to know about Home Energy Rebate\$

On Aug. 16, 2022, President Biden signed the Inflation Reduction Act (IRA) into law, which included \$8.8 billion in rebates for home energy efficiency and electrification projects.

Since that time, some misinformation about this rebate program has led many consumers and interested groups to believe that the money is currently available and that the process is already in place to obtain a rebate. Unfortunately, that is not the case.

Under the best of circumstances, Kansas will not see the rebate funding – and make it available to citizens – until mid to late 2025.



Here's how it works:

The IRA Home Energy Rebate program is divided into two categories: The Home Efficiency Rebate Program and the Home Electrification and Appliance Rebate. Before funding is available to citizens, it must be awarded to a state energy office for the two programs. In Kansas, that office is the Kansas Energy Office, which resides within the Kansas Corporation Commission.

For that process to happen, the U.S. Department of Energy must release guidance and application instructions. Each state must submit an application and have it approved in order to receive the funding. Full applications are due to the U.S. DOE by January 31, 2025.

Kansas is allocated \$52.9 million for the Home Efficiency Rebate Program and \$52.6 million for the Home Electrification and Appliance Rebate program. The money will not be available to citizens until the Kansas Energy Office applies for and is awarded the funding.

The Energy Office has begun the process by applying for and receiving a tiny portion of the funding to enable it to prepare very complex applications and to begin meeting stakeholders to ensure that the energy rebate program is designed to meet the needs here in Kansas.

The IRA Home Energy Rebate is intended to increase access for low to moderate income households by increasing rebate amounts for certain activities or appliances based on a household's income level. Kansas is committed to creating a program that is balanced, fair, and easily accessible to those households most in need of energy efficiency improvements.

We realize that many citizens are eager to make improvements. In the meantime, residential tax incentives are available now and information can be found at this link: <https://www.irs.gov/credits-deductions/energy-efficient-home-improvement-credit>

If you made qualified energy-efficient improvements to your home after Jan. 1, 2023, you may qualify for a tax credit up to \$3,200. You can claim the credit for improvements made through 2032. Beginning Jan. 1, 2023, the credit equals 30% of certain qualified expenses, including qualified energy efficiency improvements installed during the year, residential energy property expenses, and home energy audits.

We are dedicated to the success of these programs, and will make sure that rebate funding, when available, reaches those households most in need. To do that, we must first take the necessary steps now to prepare.