



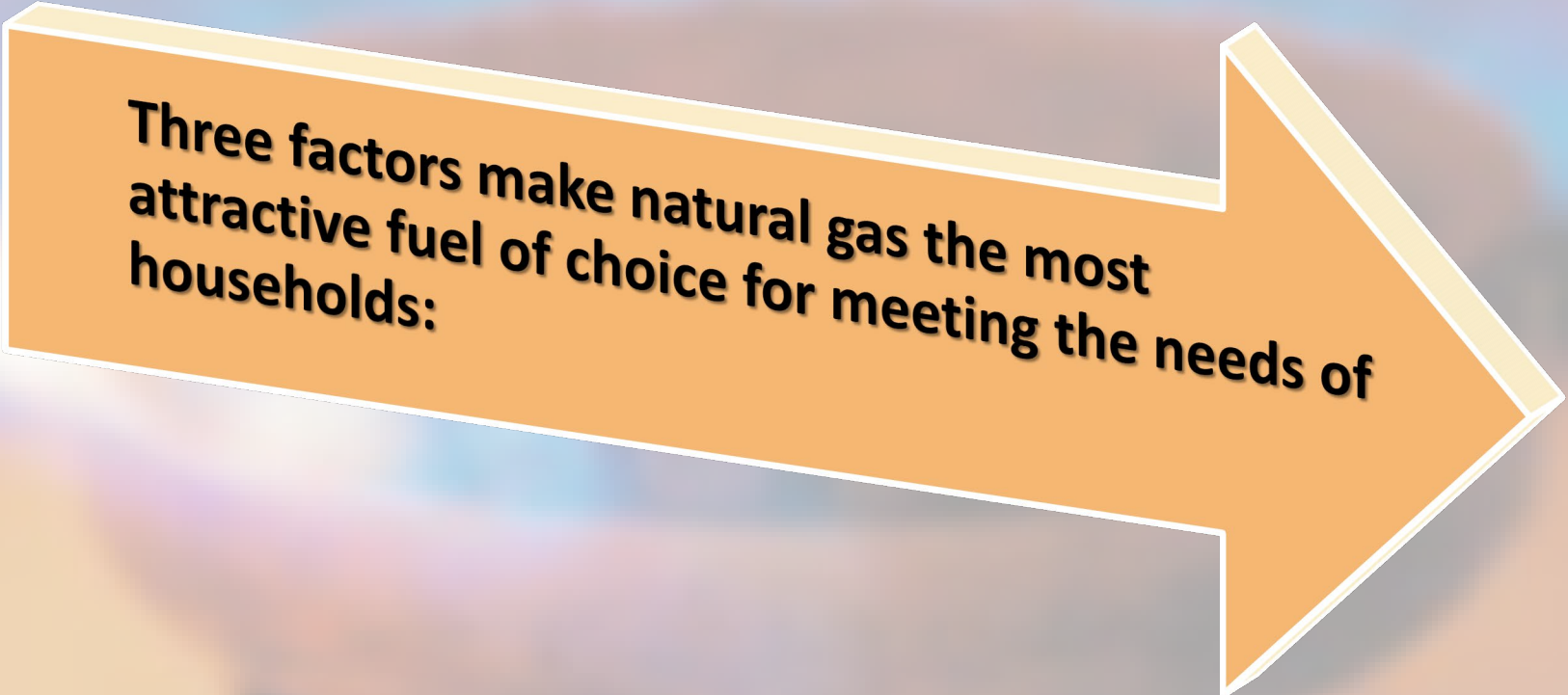
IRS Tax Credits

November 1, 2023

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CFO Corning Natural Gas, Pike County Light & Power,
Leatherstocking Gas company

There has never been a better time for residents in our service territory to convert to natural gas as their fuel of choice for home heating, hot water, and cooking.



Three factors make natural gas the most attractive fuel of choice for meeting the needs of households:

1.

The wholesale price of natural gas has declined significantly in 2023, resulting in a reduction in the commodity cost on customer's bills, and an overall reduction of in total customer bills beginning November 1, 2023 for bills received in December 2023.

3.

Inflation Reduction Act – Expanded Income Tax Credit

A) Energy Efficient Home improvement Credit

- 1) Exterior doors (30% of costs up to a credit of \$250 per door, up to a total credit of \$500)**
- 2) Exterior windows and skylights (30% of costs up to \$600 of credit; and**
- 3) Insulation materials or systems and air sealing materials or systems (30% of costs).**
- 4) Home energy audits (30% of costs up to \$600).**

B) Residential Energy Property (30% of costs, including labor, up to \$600 per item).

- 1) Natural gas water heaters**
- 2) Natural gas furnaces and hot water boilers**
- 3) Central air conditioners**
- 4) Improvements to or replacement of panelboards, sub-panelboards, branch circuits, or feeders that are installed along with building envelope components.**

C) Heat Pumps and Biomass Stoves and Biomass Boilers (30% of costs, including labor)

- 1) Natural gas heat pump water heaters**
- 2) Natural gas heat pumps**
- 3) Biomass stoves and biomass boilers**

Dollar Limit on Energy Efficient Home Improvement Credit

- A)** Annual dollar limit of \$1,200 of tax credit for category A items above
- B)** \$2,000 annual credit limit for Category B items above
- C)** Overall tax credit limit of \$3,200 for both Category A and Category B

Other Rules

- A)** Credit applies only to homes that are used as personal residences. Second homes are eligible.
- B)** Homes that are used for business purposes as well. Up to 20% business use and still be eligible for the full tax credit.
- C)** Over 20% business use requires tax credit proration
- D)** Credits are non-refundable. They can only offset current year income taxes.
- E)** No lifetime limit on tax credits. Credit expires in 2033.



Thank You