

Qualifying Advanced Energy Project Credit (§48C) Frequently Asked Questions

Updated on July 17, 2023 (version 2)

1. **I was unable to attend the June 27 informational webinar. Are the recording and slides available online?**

Answer: Yes, the webinar recording and a pdf copy of the slides can be found here: [Qualifying Advanced Energy Project Credit \(48C\) Program | Department of Energy](#).

2. **Where do I register to submit an application and how do I receive a control number?**

Answer: To register in the Qualifying Advanced Energy Project 48C Credit Program, you will use this link: [Qualifying Advanced Energy Project 48C Credit Program: Registration](#). You will receive a control number (which is the unique identifier for your application) once you begin the application process (i.e., create the Concept Paper).

3. **Is there a procedure for withdrawing a Concept Paper or application once either has been submitted? Is there any penalty for withdrawing a § 48C Concept Paper or application once either has been submitted?**

Answer: Yes, if the taxpayer chooses to withdraw a submission at any phase of the program, the taxpayer must provide a formal withdrawal notification through the eCHANGE or successor portal.

4. **Will taxpayers that fail to receive an allocation in round 1 be eligible to apply again during round 2?**

Answer: Yes, failing to receive an allocation in round 1 does not preclude an applicant from applying again in round 2.

5. **If a company is establishing a US entity for the purposes of § 48C, but that US entity is not set up by July 31 concept paper deadline, may a non-US entity submit the concept paper, so long as the US entity is formed to submit the § 48C(e) application and operate the project?**

Answer: Yes, a non-US entity may submit a concept paper as long as the US entity is formed to submit the full application and operate the project. Please be advised that the 48C eCHANGE Portal may not be accessible through certain non-domestic (US-based) IP addresses.

6. **If an applicant includes a location in the 07/31 submission but the location changes after the 07/31 and before the final application is due, how can the taxpayer go about disclosing that? Do they simply make the address change on the data input sheet for the final application?**

Answer: Section 8 of Notice 2023-44 and Notice 2023-18 address significant changes in plan, which may include changes in the location of a facility.

7. **NEW - What is the earliest date eligible property could be placed in service and still qualify for a section 48C credit allocation? (July 17, 2023)**

Please refer to [Frequently asked questions about the Qualifying Advanced Energy Project \(48C\) Credit | Internal Revenue Service \(irs.gov\)](#) for the answer.

8. **NEW - Can costs be incurred before the allocation award date, as long as eligible property is not put into service before the award date? (July 17, 2023)**

Please refer to [Frequently asked questions about the Qualifying Advanced Energy Project \(48C\) Credit | Internal Revenue Service \(irs.gov\)](#) for the answer.

9. **NEW - Can an organization submit one application for multiple eligible projects? Or would they have to submit one application per project? (July 17, 2023)**

Please refer to [Frequently asked questions about the Qualifying Advanced Energy Project \(48C\) Credit | Internal Revenue Service \(irs.gov\)](#) for the answer.

10. **NEW - Should we still submit a concept paper through the eXCHANGE portal by July 31st, or is there a different process if we are participating in the elective pay option? (July 17, 2023)**

Please refer to [Frequently asked questions about the Qualifying Advanced Energy Project \(48C\) Credit | Internal Revenue Service \(irs.gov\)](#) for the answer.

11. **NEW - How can I determine if my project is located in a § 48C(e) Energy Community Census Tract? (July 17, 2023)**

Please refer to [Frequently asked questions about the Qualifying Advanced Energy Project \(48C\) Credit | Internal Revenue Service \(irs.gov\)](#) for the answer.

12. **NEW - Is there a limit or maximum credit on the § 48C credit per project/company? (July 17, 2023)**

Please refer to [Frequently asked questions about the Qualifying Advanced Energy Project \(48C\) Credit | Internal Revenue Service \(irs.gov\)](#) for the answer.

13. **NEW - Does "Greenhouse Gas Emission Reduction Projects" only apply to existing facilities? (July 17, 2023)**

Please refer to [Frequently asked questions about the Qualifying Advanced Energy Project \(48C\) Credit | Internal Revenue Service \(irs.gov\)](#) for the answer.

14. **NEW - Could an applicant receive an allocation of § 48C credits if it has also been the recipient of a grant/loan under other DOE manufacturing –related funding opportunities? (July 23, 2023)**

Please refer to [Frequently asked questions about the Qualifying Advanced Energy Project \(48C\) Credit | Internal Revenue Service \(irs.gov\)](#) for the answer.

15. NEW - What costs qualify as investments? Is it anything that goes into developing a property for these uses? What about "soft costs" such as design or development costs? (July 17, 2023)

Please refer to [Frequently asked questions about the Qualifying Advanced Energy Project \(48C\) Credit | Internal Revenue Service \(irs.gov\)](#) for the answer.

Mapping

16. What census tract boundaries are used to locate coal mines and coal-fired electric generating units for the § 48C(e) designated Energy Communities Census Tracts?

Answer: Census tracts are those delineated in the 2020 Census, as described in [83 FR 56277](#). The shapefiles used to characterize census tract and therefore place mines within them are 2020 [TIGER/Line Geodatabases](#) as defined by the U.S. Census Bureau.

17. How are coal mines identified and characterized as "closed" for the § 48C(e) designated Energy Communities Census Tracts?

Answer: A coal mine is identified for purposes of the § 48C(e) designated Energy Communities Census Tracts if it is or has been in the Department of Labor's Mine Safety and Health Administration's (MSHA's) "[Mines](#)" data set after Dec. 31, 1999. Mines for the energy community credit bonus are those with a type of "Surface" or "Underground."

A mine will be identified as "closed" if after Dec. 31, 1999 it has ever been listed in MSHA's Mines dataset as having a status of "Abandoned" or "Abandoned and Sealed." The definition of "mine status" can be found on pages 3-4 of the [Instructions for Completing the Mine Information Form \(MSHA 2000-209\)](#). The map showing the census tracts that have had coal mine closures since 1999 and census tracts directly adjoining to such census tracts is based on MSHA's Mines dataset as of May 1, 2023. Historical versions of MSHA's Mines dataset are also used to identify mines that have ever had, since Dec. 31, 1999, a status of "Abandoned" or "Abandoned and Sealed."

18. How are coal-fired electric generating units identified and characterized as "retired" for the § 48C(e) designated Energy Communities Census Tracts?

Answer: An electric generating unit is identified according to its presence in the Department of Energy's (DOE's) U.S. Energy Information Administration (EIA) Electric Generator Inventory data from Form [EIA-860](#), supplemented with Monthly Electric Generator Inventory from [EIA-860M](#).

Data from forms EIA-860 and EIA-860M provide listings of retirements. An electric generating unit is considered a retired coal-fired electric generating unit if it is classified as retired at any time since December 31, 2009, and at the time of being listed as retired is characterized as a coal-fired electric generating unit. The map of the § 48C(e) designated Energy Communities Census Tracts is based on EIA-860 and EIA-860M data available as of May 1, 2023.

An electric generating unit is characterized as "coal-fired" based on the available data for past years. For years 2014 to 2023, coal-fired electric generating units are those listed in EIA Form 860M or EIA Form 860 data as having a "Technology" of "Conventional Steam Coal" or "Coal Integrated Gasification Combined Cycle." For years 2010 to 2013, coal-fired electric generating units are those listed in EIA Form 860 data as having a primary fuel source code of anthracite

coal, bituminous coal, lignite coal, refined coal, coal-derived synthesis gas, subbituminous coal, and waste/other coal.

19. If a coal-fired electric generating unit switches to a different source for its fuel without being listed as 'retired', is it considered a retired coal-fired electric generating unit?

Answer: No. An electric generating unit must be coal-fired when it is retired to be considered a retired coal-fired electric generating unit. An electric generating unit is a retired coal-fired electric generating unit if it (1) appears in the retirements listing of any monthly release of the dataset from Form-860M since December 31, 2009, or any annual release of the dataset from Form-860 since December 31, 2009, (2) the month and year of retirement occur after December 31, 2009, and (3) for years 2014 through the most recent monthly listing, it is listed as having a "Technology" of "Conventional Steam Coal" or "Coal Integrated Gasification Combined Cycle" in the retirement listing, or for years 2010 through 2013, it is listed as having a primary fuel of one of the following in the retirement listing: anthracite coal, bituminous coal, lignite coal, coal-derived synthesis gas, subbituminous coal, waste/other coal (including anthracite culm, bituminous gob, fine coal, lignite waste, and waste coal), or refined coal.

20. I think there is a census tract with a coal mine closure that is not on this map. What should I do?

Answer: Access coal mine data through the Department of Labor's Mine Safety and Health Administration (MSHA) "Mines" [data set](#).

For validation purposes, review the following:

- Does the mine appear in the Mines dataset?
 - If not, contact MSHA at mshadata@dol.gov.
 - If yes, next check the location information.
 - Do the latitude and longitude listed place the mine in the county and state listed?
 - Do the latitude and longitude listed extend beyond the tenth decimal place (for example, format XXX.XXXXXX)?
 - If the answer to either of these is no, then contact MSHA at mshadata@dol.gov.
- What information should I provide to MSHA when I contact the Agency?
 - Name and contact information of the person or entity submitting the recommended change
 - Mine ID (if known)
 - Operating Company Name (if known)
 - Mine Name (if known)
 - County and state where the mine is or was located
 - Street address of the mine (if known)
 - Current latitude and longitude of mine in the Mine Data Retrieval System (MDRS) (if known)
- Recommended latitude and longitude of mine (make certain there are 6 digits to the right of the decimal point)

If MSHA considers the suggested correction valid, then the Agency will update the Mines dataset accordingly.

- See below for timing of updates to the IRS census tract listing and the DOE map based on any data corrections from MSHA.

21. I think there is a census tract with a retired coal-fired electric generating unit that is not on this map. What should I do?

Answer: First, check to see if there is an issue with the location data for the coal-fired generating electric unit:

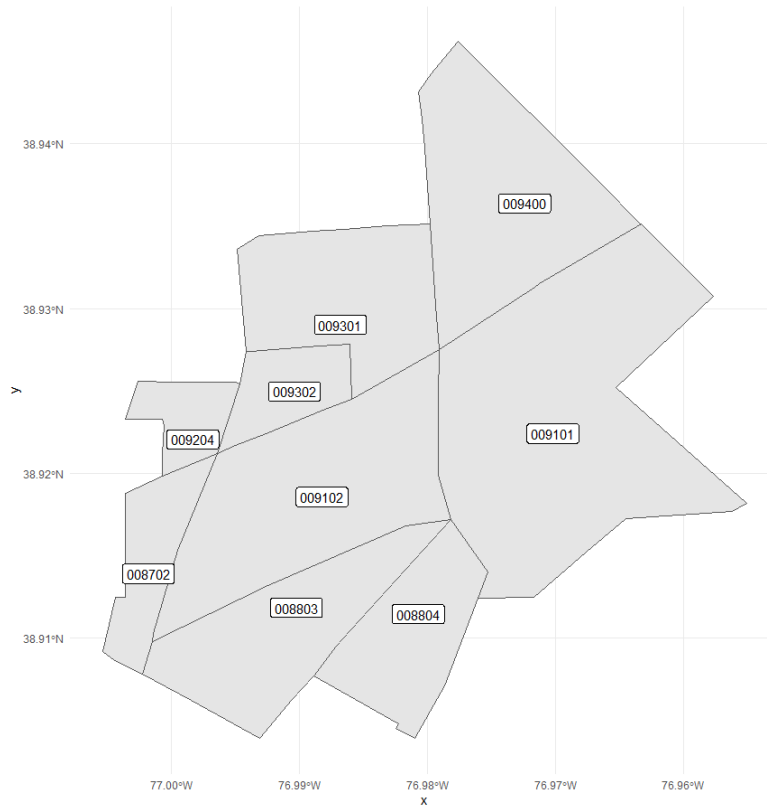
- Coal-fired electric generating unit data comes from the Department of Energy's (DOE's) U.S. Energy Information Administration (EIA) Electric Generator Inventory data from Form [EIA-860](#), and the Monthly Electric Generator Inventory from [EIA-860M](#).
- Does the coal-fired electric generating unit appear in the EIA Form 860 or EIA Form 860M data?
 - If not, contact EIA via InfoElectric@eia.gov.
 - If yes, next check the location information.
 - Do the latitude and longitude listed map the mine to the county and state listed?
 - Do the latitude and longitude listed extend beyond the tenth decimal place?
 - If the answer to either of these is no, then contact EIA via InfoElectric@eia.gov.
- What information should I provide to EIA when I contact them?
 - Name and contact information of the person or entity submitting the recommended change
 - Plant ID and Generator ID (if known)
 - Operating Company Name (if known)
 - Plant Name (if known)
 - County and state where the unit is located
 - Street address of the unit (if known)
 - Current latitude and longitude of unit in the EIA Form 860 or EIA Form 860M data (if known)
- Recommended latitude and longitude of unit (make sure there are at least 4 digits to the right of the decimal point)
If EIA considers the correction valid, then it will update the EIA Form 860 and/or EIA Form 860M data accordingly.
- See below for timing of updates to the IRS census tract listing and the DOE map based on any corrected data from EIA.

22. If two census tracts touch at a single point, are they considered “directly adjoining”?

Answer: Census tracts shapefiles from the U.S. Census Bureau are used to identify adjoining census tracts. Census tracts are considered directly adjoining if their boundaries touch at any single point. There are many cases of where multiple census tracts meet at a single point. If a closure occurred in one of the census tracts, the other census tracts sharing the single point would be considered directly adjoining.

Figure 1 shows an example of census tracts with their 6-digit identifiers. All of these census tracts are considered directly adjoining to census tract 009102.

Fig. 1: Example of adjoining census tracts



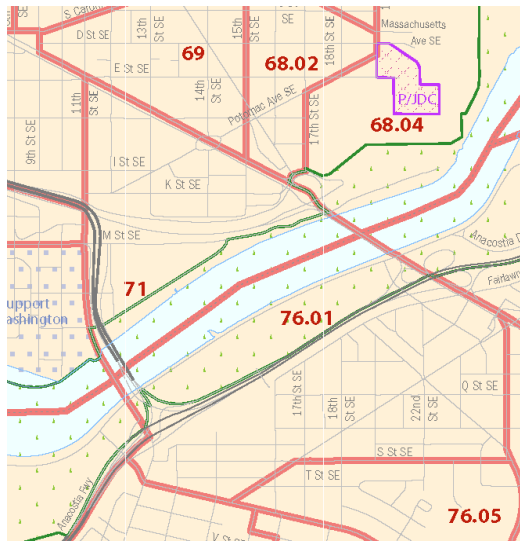
Source: Treasury Office of Tax Analysis.

23. If two census tracts have a river between them, are they considered directly adjoining?

Answer: Census tract boundaries may follow rivers or other waterways. However, these waterways do not prevent census tracts from being directly adjoining. Census tract boundaries incorporate waterways by either extending into waterways or by wholly covering a waterway within a census tract.

Figure 2 shows one example of how a waterway may interact with census tracts. This shows census tract 007100 (denoted without the floating zeroes as “71”) having a border in the river. Census tract 007601 (denoted here as 76.01) also has a border in the river. Census tracts 007100 and 007601 are directly adjoining to each other.

Fig. 2: Waterways in census tracts



Source: <https://www.census.gov/geographies/reference-maps/2020/geo/2020pl-maps/2020-census-tract.html>

24. How often does Treasury anticipate updating the maps and data?

Answer: Treasury will only update the list of § 48C Energy Communities Census Tracts in the year of a new allocation round(s) for the § 48C(e) program and as an attachment to the Notice announcing the new allocation round(s). Note that Appendix C of Notice 2023-44 and any subsequent Notice announcing a new allocation round provide the sole means taxpayers may substantiate a tax return position with respect to whether their project is located in a § 48C Energy Communities Census Tract.

Section 48 Tax Credit Program Privacy Act and Paperwork Reduction Act Notice

The Department of Energy (DOE) is collecting concept papers and applications on behalf of the Internal Revenue Service (IRS) for IRS to use to determine taxpayer eligibility for tax credits under section 48C of the [Internal Revenue Code \(Code\)](#). Authority for IRS and DOE to collect this information is Code sections 48C, 6001, 6103(n), 6109, 7801, and 7803. Concept papers, applications, and related information submitted through the DOE portal are return information owned by IRS. This information will be disclosed to DOE employees and contractors for purposes of review and recommendation to IRS regarding an application's compliance with technical criteria for eligibility for these tax credits. This information may also be disclosed to the Department of Justice for civil and criminal litigation, and to cities, states, the District of Columbia, and U.S. possessions to carry out their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. Other disclosures of return information are provided under Code Section 6103 and the routine uses published in two IRS Privacy Act System of Records Notices (SORNs): [Treasury/IRS 24.030, Customer Account Data Engine \(CADE\) Individual Master File \(IMF\)](#), published at 80 Fed. Reg. 54082-54083 (Sept 8, 2015) and [Treasury/IRS 24.046, Customer Account Data Engine \(CADE\) Business Master File \(BMF\)](#) published at 80 FR 54083-54084 (Sept. 8, 2015). Any additional records which are not maintained under the above IRS SORNs will be maintained under DOE SORN [DOE-82, Grant and Contract Records for Research Projects, Science Education, and Related Activities](#), published at 74 Fed. Reg. 994 (January 9, 2009).

Providing this information is voluntary but necessary to process your concept paper and application. If you choose to apply for the tax credit allocation under Code section 48C, you must provide all requested information. Failure to provide complete information may delay or prevent processing or reviewing your materials. Providing false or fraudulent information may subject you to penalties.

You are not required to respond to a collection of information that is subject to the Paperwork Reduction Act unless the collection displays a valid OMB control number. The OMB number for this collection of information is 1545-2151. Books or records relating to tax matters must be retained as long as their contents may become material in the administration of any Internal Revenue law.

The time needed to complete and submit a concept paper and an application will vary depending on individual circumstances. The estimated average time is: 136 minutes for recordkeeping and reporting for the concept papers, and 626 minutes for recordkeeping and reporting for the application process.

Personal information collected from merit reviewers will be protected under the Privacy Act of 1974. Acknowledgement of the Privacy Act statement covering personal information collected from merit reviewers is part of the application process:

Section 48 Tax Credit Program Merit Reviewer Registration

Privacy Act Statement

The Department of Energy (DOE) is collecting applications and concept papers on behalf of the Internal Revenue Service (IRS) for administration of tax credit programs under [Section 48C of the Internal Revenue Code \(IRC § 48C\)](#).

To register as a Merit Reviewer for the IRC § 48C tax credit program, you are asked to provide: information about yourself, including contact information; whether you are a US citizen and reside in the US; a copy of your resume or CV; a Uniform Resource Link (URL) to your LinkedIn profile or similar on-line professional resource; and answers to questions about your areas of subject matter expertise. Your information will be maintained by DOE and IRS and protected under the Privacy Act of 1974 and other applicable federal privacy laws. Our authority to request this information is 5 U.S.C. § 301. We will use it to assess your credentials as a potential Merit Reviewer. You are not required to apply to be a Merit Reviewer for this program; however, if you apply you are required to provide the information requested. Failure to provide complete information may delay or prevent processing your application. Providing false or fraudulent information may subject you to penalties.

Approved Merit Reviewers are provided access to federal tax information (FTI) that requires specific handling and protections. All documents and information received, obtained, or generated by DOE or IRS (and their contractors) regarding applicants under the IRC § 48C tax credit program are tax return information and are owned by the IRS. **As a Merit Reviewer, you are required to protect the confidentiality of FTI and related tax return information by following the IRS's tax information protection standards under the Internal Revenue Code (IRC) Section 6103 and applicable federal regulations.**

The information you provide in your application to be a Merit Reviewer for the IRC § 48C tax credit program, and information regarding your training for this program, may be disclosed to the IRS, the Department of Justice for civil and criminal litigation, and to cities, states, the District of Columbia, and U.S. possessions to carry out their tax laws. All records pertaining to Merit Reviewers, including applications and training records, will be maintained under the following Privacy Act System of Records Notices (SORNs), where additional routine uses may be found:

- Office of Personnel Management/GOVT-1, General Personnel Records, 77 FR 73694 (Dec 11, 2012).
- [Treasury/IRS 24.030 SORN for Customer Account Data Engine \(CADE\) Individual Master File \(IMF\)](#), published at 80 Fed. Reg. 54082-54083 (Sept 8, 2015).
- [Treasury/IRS 24.036 SORN for Customer Account Data Engine \(CADE\) Business Master File \(BMF\)](#), published at 80 FR 54063 (Sept. 8, 2015).
- [DOE-28, General Training Records](#), published at 74 Fed. Reg. 994 (January 9, 2009).
- [DOE-82, Grant and Contract Records for Research Projects, Science Education, and Related Activities](#), published at 74 Fed. Reg. 994 (January 9, 2009).

For more information on the way DOE protects your information, please review DOE's privacy policy at www.energy.gov/privacy; for more information on how IRS protects tax information, please review IRS's privacy policies at www.irs.gov/privacy.