

Qualifying Advanced Energy Project Credit (§48C)
Frequently Asked Questions on 48C Energy Communities Census Tracts
Updated on April 29, 2024 (version 1)

1. Which census tracts qualify as § 48C(e) Energy Communities Census Tracts?

Answer: Section 48C(e)(2) limits the total amount of § 48C credits that the Secretary may allocate under the § 48C(e) program to \$10 billion. Of that amount, the Secretary must allocate at least \$4 billion of § 48C credits to projects located in § 48C(e) Energy Communities Census Tracts, defined as census tracts that did not have a project that received a certification and allocation of credits under § 48C prior to enactment of the Inflation Reduction Act of 2022:

- in which a coal mine has closed after 1999; or
- in which a coal-fired electric generating unit has been retired after 2009; or
- that directly adjoin one of the above two types of tracts; and

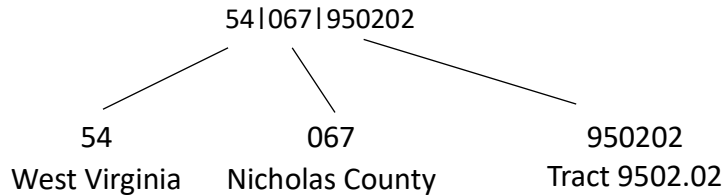
2. How do I know if my project is in a census tract that qualifies as a § 48C(e) Energy Communities Census Tract?

Answer: A taxpayer can determine whether its project is located within a § 48C(e) Energy Communities Census Tract by referring to the list of Section 48C(e) Energy Communities Census Tracts provided by Appendix C. To determine if your project is in a § 48C(e) Energy Communities Census Tract, first determine the 11-digit census tract FIPS code (also known as the 11-digit census tract GEOID) according to the 2020 census tract boundaries. Compare the 11-digit census tract FIPS code with the list in IRS Notice 2024-36 Appendix C. If the census tract appears in Appendix C, then the census tract is eligible. If it does not, the census tract is not eligible. Additionally, a map of § 48C(e) Energy Communities Census Tracts has been provided by the DOE and is available at www.energy.gov/infrastructure/48C. The list in Appendix C of Notice 2024-36 is the official list of § 48C(e) Energy Communities second round of the § 48C(e) program.

3. How can I determine my 11-digit census tract FIPS code based on the 2020 census tract boundaries?

Answer: To determine eligibility, the user should locate the 11-digit census tract Federal Information Processing Standard ([FIPS](#)) code of their project and compare that to the listing in IRS Notice 2024-36 Appendix C. Census tracts are identified with a 2-digit state FIPS code (which may include a leading zero), a 3-digit county FIPS code (which may include up to two leading zeros), and a 6-digit tract code tract (which may include leading zeros, as well as two “trailing” zeros in the many cases in which the basic tract code has no suffix). Together, these codes form an 11-digit FIPS code unique to each census tract.

For example, the Tract 9502.02 in Nicholas County, West Virginia has the 11-digit census tract FIPS code of 54067950202:



- 54 – identifies West Virginia
- 067 – identifies Nicholas County within West Virginia
- 950202 – identifies tract 9502.02 within Nicholas County

One method of determining the census tract of your property based on the 2020 census tract boundaries is by using the Census Geocoder. Use this [link](#) for an address or this [link](#) for a latitude/longitude point. Type in your address or latitude/longitude, and then follow these steps:

- In the “Benchmark” drop-down menu, choose “Public_AR_Census2020.”

Benchmark:

Public_AR_Census2020 ▾
Public_AR_Current
Public_AR_ACS2023 ▾
Public_AR_Census2020

- In the “Vintage” drop-down menu, choose “Census2020_Census2020.”

Vintage:

Census2020_Census2020 ▾
Census2020_Census2020
Census2010_Census2020

- In the results under “Census Tracts” find the “GEOID” near the bottom of the results webpage. This is your full 11-digit census tract GEOID. In this example, the 11-digit census tract FIPS code is 11001980000.

Census Tracts:

STATE CODE: 11

CENTLON: -077.0352173

POP100: 176

GEOID: 11001980000

CENTLAT: +38.8801546

COUNTY CODE: 001

TRACT CODE: 980000

AREAWATER: 4996439

HU100: 12

AREALAND: 6514228

UR: U

NAME: Census Tract 9800

- Note that the 6-digit census tract FIPS code is the “TRACT CODE”. In this example, the state code is “11”, the county code is “001” and the tract code is “980000.”

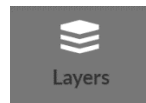
Further instructions to use the Census Geocoder are available via this [link](#).

Note that the Census Geocoder, for legal reasons, may not place your address in exactly the tract you may believe it to be. As such, users are encouraged to also check the location of their project's census tract use the Census' interactive TIGERweb map via this [link](#). At the link:

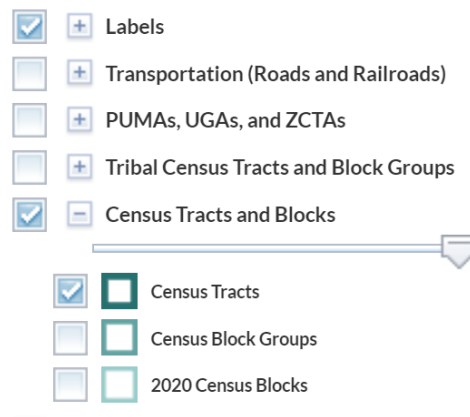
- Type in your address or latitude/longitude, press enter, and select your address or latitude/longitude from the drop down list.



- On the left-hand side of the screen, click “Layers”:

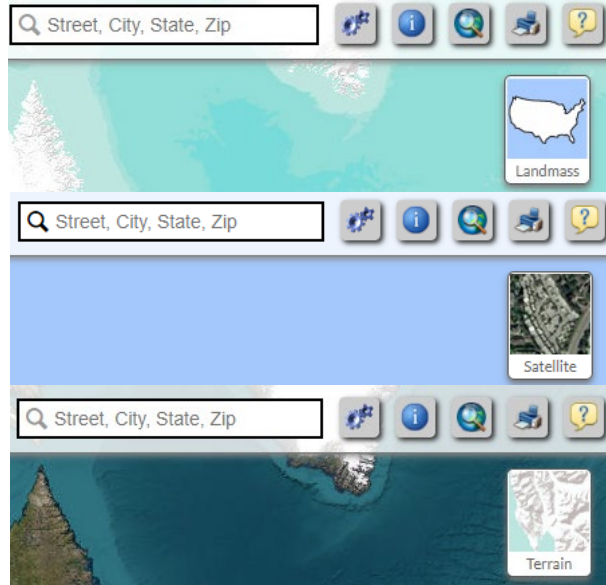


- In the menu that appears, click the plus sign to the left of “Census Tracts and Blocks.” In the resulting menu, remove the check from “2020 Census Blocks” and leave “Census Tracts” checked. Keep “Labels” checked.



- You will see numbers on the map preceded by “CT.” CT standards for “census tract.”
 - Census tracts within a county are identified by a 4-digit basic code between 0001 and 9999 and may have a 2-digit suffix ranging from .01 to .98; for example, 6059.02.
 - For purposes of the § 48C(e) Coal Closure census tracts, you will need to ascertain the 6-digits for the census tract code. This often entails including leading zeros as well as two “trailing” zeros in the many cases. Some examples:
 - The full 6 digits of “CT 50.02” in the map are 005002.
 - The full 6 digits of “CT 101” in the map are 010100.
 - The full 6 digits of “CT 9800” in the map are 980000.

- Identify the census tract of your project based on the location you believe it to be. You can check the TIGERweb application correctly located the project through enabling the satellite view. If the satellite view is not enabled, click on the top right hand corner button that says “Landmass”, “Terrain”, or “Satellite” until the satellite view is enabled.



- To ascertain the full 11 digits of the unique 11-digit census tract FIPS code (or GEOID), you will need to also know the 2-digit state FIPS code and the 3-digit county FIPS code, which can be found on this [list](#). This presumes you know the state and county names of the location of your project.

4. How are § 48C(e) Energy Communities Census Tracts different from the Energy Community bonus credit amount that applies to § 45, § 48, § 45Y, and § 48E?

Answer: The § 48C(e) Energy Communities Census Tracts are a subset of the areas eligible for the Energy Community bonus credit amount that applies to § 45, § 48, § 45Y, and § 48E; see this [page](#) for more information. Applicants for the § 48C(e) program are encouraged to be aware that only the census tracts listed in Appendix C of IRS Notice 2024-36 are eligible as § 48C(e) Energy Communities Census Tracts.

5. What census tract boundaries are used to locate coal mines and coal-fired electric generating units?

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 and generating units within them are 2020 [TIGER/Line Geodatabases](#) as defined by the U.S. Census Bureau.

6. How are coal mines identified and characterized as “closed”?

Answer: A coal mine is identified as a § 48C(e) Energy Communities Census Tract 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 purposes of § 48C(e) Energy Communities Census Tracts 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 \(MSHA 2000-209\)](#).

Location information for coal mine closures is evaluated for accuracy prior to granting the ability to confer eligibility to the census tract in which the mine resides. Closed coal mines listed in the MSHA Mines dataset are excluded from conferring eligibility for the “energy communities” designation under the § 48C(e) program if they have irregular location information. This includes closed coal mines with listed latitude and longitude coordinates that do not place the mines in the listed county and state, and mines with latitude and longitude coordinates that only extend to the tenths place.

For the second round of eligibility for the § 48C(e) program, the map and the listing shows the census tracts that have had coal mine closures since 1999 (with accurate location information) and census tracts directly adjoining to such census tracts. The map is based on MSHA’s Mines dataset as of April 1, 2024. 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.”

7. How are coal-fired electric generating units identified and characterized as “retired” for purposes of the § 48C(e) program?

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.

Location information for coal-fired generating unit retirements is evaluated for accuracy prior to granting the ability to confer eligibility to the census tract in which the coal-fired generating unit resides. . Retired coal-fired generating units listed in forms EIA-860 and EIA-860M are excluded from conferring eligibility as § 48C(e) Energy Communities Census Tracts if they have irregular location information. This includes coal-fired generating unit retirements with listed latitude and longitude coordinates that do not place the unit in the listed county and state, and units with latitude and longitude coordinates that only extend to the tenths place.

For the second round of eligibility for the § 48C(e) program, the map and the listing of the § 48C(e) Energy Communities Census Tracts is based on EIA-860 and EIA-860M data with accurate location information available as of April 1, 2024. An electric generating unit is characterized as “coal-fired” based on the available data for past years. For years 2016 to 2024, coal-fired electric generating units are those listed in EIA Form 860M as having a “Technology” of “Conventional Steam Coal” or “Coal Integrated Gasification Combined Cycle.” For years 2010 to 2015, 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.

8. 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 2016 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 2015, 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.

9. 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?
 - o If not, contact MSHA at mshadata@dol.gov.
 - o 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?
 - o Name and contact information of the person or entity submitting the recommended change
 - o Mine ID (if known)
 - o Operating Company Name (if known)
 - o Mine Name (if known)
 - o County and state where the mine is or was located
 - o Street address of the mine (if known)
 - o Current latitude and longitude of mine in the Mine Data Retrieval System (MDRS) (if known)
 - o 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 based on any data corrections from MSHA.

10. 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?
 - o If not, contact EIA via InfoElectric@eia.gov.
 - o 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?
 - o Name and contact information of the person or entity submitting the recommended change
 - o Plant ID and Generator ID (if known)
 - o Operating Company Name (if known)
 - o Plant Name (if known)
 - o County and state where the unit is located
 - o Street address of the unit (if known)
 - o Current latitude and longitude of unit in the EIA Form 860 or EIA Form 860M data (if known)

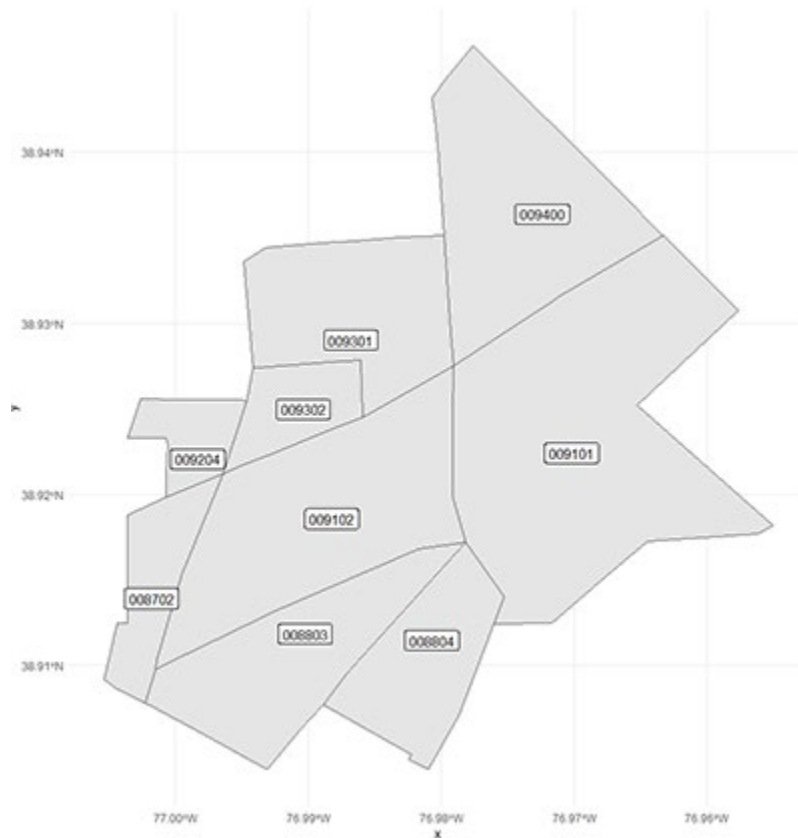
- o Recommended latitude and longitude of unit (make sure there are at least 4 digits to the right of the decimal point)
- If EIA considers the correction valid, then it will update the EIA Form 860 and/or EIA Form 860M data accordingly.
- See below for timing of updates to the IRS census tract listing based on any corrected data from EIA.

11. 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 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



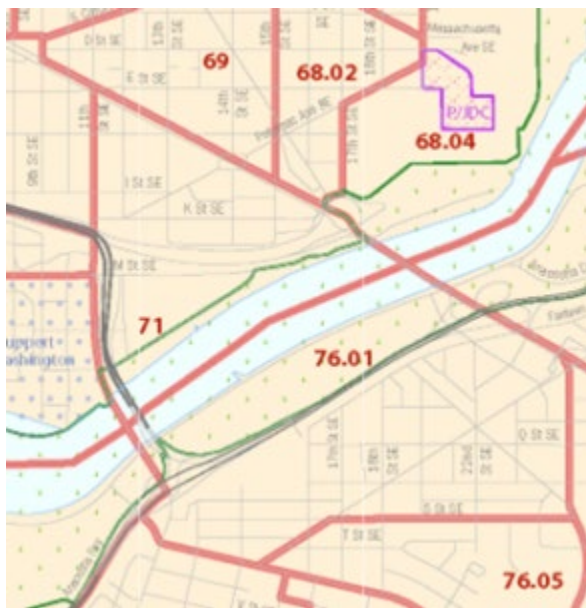
Source: Treasury Office of Tax Analysis.

12. 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 may 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. Additionally, Census tracts 006804 (denoted 68.04) and 007601 are also 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>

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

Answer: For the second round of eligibility under § 48C(e) program, Treasury has updated the list of § 48C(e) Energy Communities Census Tracts. This listing is included as an appendix to the Notice announcing the new allocation round. Note that Appendix C of Notice 2024-36 provides 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 for the second round of § 48C(e) program.

14. Which agency makes the determinations of eligibility for the § 48C(e) Energy Communities Census Tracts?

Answer: The Treasury Dept. determines the eligibility for § 48C(e) Energy Communities Census Tracts.