Cut Emissions, Get Healthy, Save Money

On November 20, Sierra club released a <u>shopper's guide</u> to help consumers easily identify home improvement products that qualify for energy efficiency tax credits created by the Inflation Reduction Act (IRA).

The <u>guide</u> compiles information from Energy Star and the IRS into a user-friendly format that details what products are eligible and lays out steps to claim the credit come tax season. Heat pumps, exterior doors and windows, solar panels, and other products that update a home's electrical systems are some of the eligible items.

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The tax credits could help consumers save 30% on the cost of their qualifying purchase -- up to \$3,200 each year from now until 2032. This year, consumers will be able to save even more on many of these products as states begin to roll out IRA rebates programs. The federal tax credits and rebates can also be coupled with state incentives to reduce energy waste and pollution.

"Right now, consumers are busy looking for the best deals, and folks hoping to make their homes more comfortable and safer ahead of the winter heating season are no different," said Xavier Boatright, Sierra Club's Deputy Legislative Director of Clean Energy and Electrification. "We want to make sure that everyone is aware that there are savings to be had beyond the checkout register for major purchases like heat pumps, exterior doors and more. That money back will come in the form of a federal tax credit, as well as reduced utility bills from improved energy efficiency. It's truly a win-win for the consumer, the climate, and people's health."

There is a range of benefits to improving the energy efficiency of a home well beyond a major motivator like saving money on utility bills. Reducing energy waste can increase reliability of the grid in the face of increasing extreme weather events.

Moreover, burning fuels like gas, oil, or propane releases air pollutants that are harmful to human health and the climate, like <u>nitrogen oxides</u>, <u>carbon monoxide</u>, <u>particulate matter</u>, and climate-disrupting <u>carbon dioxide</u>. These pollutants directly, and seriously, impact human health, from increasing the rates of asthma to causing thousands of <u>premature deaths</u> each year.

Sierra Club, Physicians for Social Responsibility, and WE ACT for Environmental Justice recently <u>released a report</u> that highlights the climate, health, and environmental justice impacts of appliance pollution and lays out the additional ways government at the local, state, and federal level can act to protect people and increase access to energy efficient, clean, safe homes.

Programs like those created by the IRA, are key to reducing climate- and health-harming emissions from buildings. However, these programs are not enough. Sierra Club and partners are continuing to work to ensure utilities and all levels of government prioritize support and accessibility for low-income households and renters to make energy efficient home improvements. This work includes our efforts <u>calling on the Environmental Protection Agency to set pollution limits</u> from home heating appliances.