



Advanced Manufacturing Production Credit

Federal Agency: Department of the Treasury

IRA Statutory Location: 13502

Tax Code Location: 26 U.S. Code § 45X

Tax Provision Description: Provides a production tax credit for domestic manufacturing of components for solar and wind energy, inverters, battery components, and critical minerals.

Period of Availability: Credit for critical minerals is permanent starting in 2023. For other items, the full credit is available between 2023-2029 and phases down over 2030-2032.

Tax Mechanism: Production tax credit

New or Modified Provision: New

Eligible Recipients: Domestic manufacturers

Tribal Eligibility: Yes

Base Credit Amount: Varies by technology

Bonus Credit Amount: None

Direct Pay Eligibility: Yes, for tax-exempt organizations, states, political subdivisions, the Tennessee Valley Authority, Indian Tribal governments, Alaska Native Corporations, and rural electricity co-ops (applicable entities). Entities other than applicable entities are eligible for up to 5 years of direct pay (which expires at the end of 2032) for tax years after December 31, 2022 in which they produce eligible components if they make an election.

Transferability: Yes

Stackability: Cannot claim 45X credit for property produced at facilities that received the Inflation Reduction Act 48C credit.

Relevant Announcements: [Request for Comments on Energy Security Tax Credits for Manufacturing Under Sections 48C and 45X \(10/5/2022\)](#)