

Updated Tax Provisions in H.R. 1 (OBBB)



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Sec. 25D Residential Tax Credit (MB)

Small Wind Leasing

Sec. 48E (& 45Y) Investment and Production Tax Credits

- **New expirations (JD)**
- **Safe Harbor Changes & Guidance (FM)**
- **Transferability (JD)**
- **Direct pay (JD)**
- **Tax equity (CD)**
- **Prevailing wage & apprenticeships for >1 MW (JD)**

Foreign Entities of Concern (FEOC) Prohibited Foreign Entities (PFE) (FM)

- **Definitions**
- **IRS Notice 2025-8**
- **OBBB**
- **IRS Notice 2026-15**

ITC Bonuses (TG)

- **Domestic Manufacturing**
 - Towers as structures – 100% U.S. steel
 - Repowers
- **Energy Community Bonus**
 - 2025 Metropolitan Statistical Areas (MSAs) lists
- **Low Income Bonus**
 - Difficult to impossible for DW

45X Advanced manufacturing Credit (TG)

- **Wind components 2027 expiration & increased content requirements**
- **Inverter don't expire (including DW)**
- **DW's vastly weaker 45X incentive relative to large wind (OB3 "one size fits all", DWEA has a brief on this issue) (MB)**
- **Transfer and direct pay elections**
 - **Use in same tax year, no amended returns**
 - **Annual facilities registration**

Bonus Depreciation

(CD)