

Addendum: Tax Season Updates

Revision [1.1]

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The following Note was deleted since Rev. Proc. 2022-34 came out prior to the changes made in the IRA of 2022.

Note: In recent Rev. Proc. 2022-34 the IRS updated the applicable percentage tables for purposes of §36B(b)(3)(A)(i) for calendar year 2023. The table is used to calculate an individual's PTC. The table can be found here <https://www.irs.gov/pub/irs-drop/rp-22-34.pdf>.

The required contribution percentage is also updated to 9.12% for purposes of §36B(c)(2)(C)(i)(II) and Reg. §1.36B-2(c)(3)(v)(C) for plan years beginning after calendar year 2022.

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The information on the availability of the energy credit for a second home was clarified.

The IRA of 2022 further expands the credit for certain expenditures to homes located in the U.S. as long as the taxpayer uses that property as a residence. In other words, if a taxpayer has **residential energy property expenses such as a central air conditioner, natural gas furnace, etc.** on a second home, those expenses are eligible for the credit under §25C(d).

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The Dec. 31, 2019 date was corrected to Dec. 31, 2021.

The IRA of 2022 extended the credit plus increased the credit amount to the following:

- 30% for property placed in service after **Dec. 31, 2021**, and before Jan. 1, 2033
- 26% for property placed in service after Dec. 31, 2032, and before Jan. 1, 2034
- 22% for property placed in service after Dec. 31, 2033, and before Jan. 1, 2035

IRS released the High/Low Substantiation amounts for Oct. 1, 2022 - Sept. 30, 2023, in Notice 2022-44.

High/Low Substantiation	Oct. 1, 2021-Sept. 30, 2022	Oct. 1, 2022-Sept. 30, 2023
M&IE high	\$74	\$74
M&IE low	\$64	\$64
Lodging high	\$222	\$223
Lodging low	\$138	\$140

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