



Press Release

Overhaul of IRA Energy Credits: House Proposal

ALLIE WATSON | MAY 13, 2025

The House Ways and Means Committee released its draft of the reconciliation legislation, which proposes an overhaul of the Inflation Reduction Act's (IRA) energy tax credits. In a new insight, Director of Energy and Environmental Policy Shuting Pomerleau walks through how the bill would terminate and slim some of the credits, and the amount of revenue raised from these changes.

Key Points:

- *The bill proposes a significant paring back of about 60 percent of the IRA's energy tax credits, which would raise about \$515 billion in revenue from 2025-2034.*
- *The proposal would repeal some energy credits immediately, including all clean vehicle credits, the alternative fuel vehicle refueling property credit, all residential energy efficiency credits, and the clean hydrogen production credit, which would raise approximately \$306 billion from 2025-2034.*
- *It would also add phaseout and restrictions to several credits, including the clean electricity production and investment credits, clean fuel production credit, carbon sequestration credit, nuclear power production credit, advanced manufacturing production credit, and the credit for certain energy property, which would raise about \$210 billion from 2025-2034.*

[Read the analysis.](#)