

Tax Credit for Modern Wood & Pellet Heat:

The Inflation Reduction Act 2022 changed the Wood and Pellet Heater Tax Credit for calendar years 2023-2032.

THIS CREDIT:

- Is for 30 percent of purchase AND installation costs beginning in 2023
- Has a \$2,000 cap on the credit for any one year.
- Can be redeemed each year.

What Qualifies?

- Any wood heater that burns biomass as a fuel, heats air or water, and is at least 75 percent efficient per the higher heating value (HHV) of the fuel.
- Purchased and fully installed in the year that the credit is taken.
- Purchase and installation costs of appliance and venting/chimney can count towards the credit.



WHAT PAPERWORK YOU SHOULD KEEP FOR TAX RECORDS.

- Purchase receipt, including cost of product and installation.
- The manufacturer certificate stating that the stove qualifies for the credit and is at least 75 percent efficient HHV.

WOOD AND PELLET HEATER INVESTMENT TAX CREDIT 2023 - 2032

WHAT DO CONSUMERS NEED TO KNOW?