Tax Credits 101

A VISUAL GUIDE

WHAT ARE TAX CREDITS?

Money a business or individual can subtract, dollar-for-dollar, from owed income taxes.

INCENTIVIZED OPPORTUNITIES

Tax credits incentivize investment or provide assistance in:



vehicles, fuels solar **EMPLOYMENT**

> hiring, retention, benefits, training

HOUSING

construction, rehabilitation, historic preservation

TAX CREDITS WORK

Confirm **Eligibility**

Calculate Credit

Follow Claim Process

Enjoy Tax

Savings



REFUNDABLE VS. NONREFUNDABLE

DISASTERS

COVID, storms, hurricanes.

fires

A "refundable tax credit" uniquely provides a refund (money back) if the tax credit amount is larger than the tax liability owed.

MOST TAX CREDITS ARE NONREFUNDABLE.

TAX CREDIT EXAMPLES REFUNDABLE

NONREFUNDABLE **Electric Vehicle (EV) Tax Credits**

- **Solar Tax Credit**
- **Work Opportunity Tax Credit (WOTC)**
- **R&D Tax Credit**
- **Low-Income Housing Credit (LIHTC)**
- **New Markets Tax Credit**
- **FICA Tip Credit Disabled Access Credit**
- **Empowerment Zone Credit Energy Investment Tax Credit**
- Renewable Electricity Production Tax Credit (PTC) **Biodiesel and Renewable Diesel Fuels Credit**
- **Retirement Plan Startup Credit**

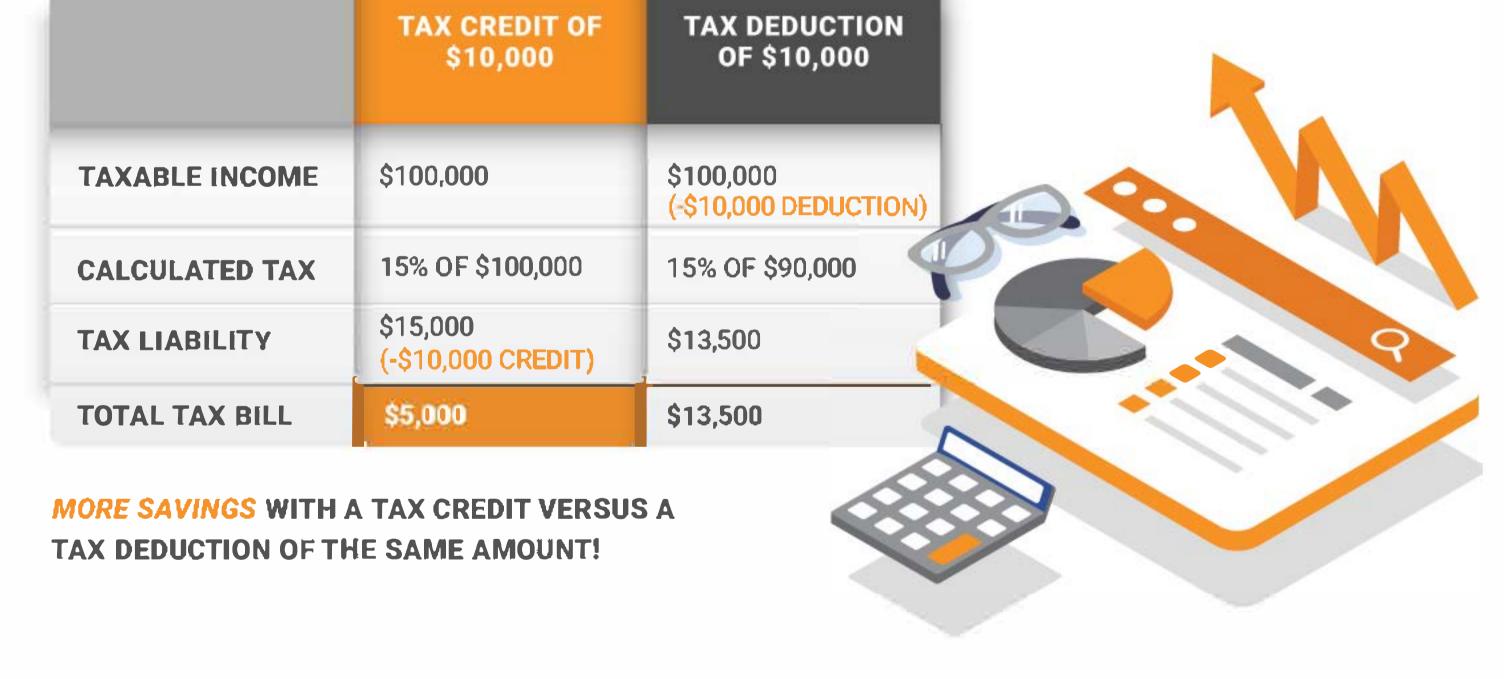
Small Business Health Care Tax Credit

- **Indian Employment Credit**
- **Historic Preservation Tax Credit Paid Leave Credit for Vaccines**
- **Employer Credit for Family and Medical Leave**
- **Paid Sick & Family Leave Credit Employer-Provided Child Care Tax Credit**
- PARTIALLY REFUNDABLE

Employee Retention Credit

- **American Opportunity Tax Credit Child Tax Credit**
- **Alternative Fuel Vehicle Refueling Property Credit**

TAX CREDIT VS. DEDUCTION



000

WHEN TO CONSIDER TAX CREDITS?



hurricanes, storms, wildfires