

# Inflation Reduction Act's Elective Pay

The Local Infrastructure Hub has developed a [comprehensive guide](#) designed to help cities navigate the **Inflation Reduction Act's Elective Pay provision**, which allows non-taxable entities to receive direct payments in lieu of tax credits for investments in clean energy projects.

The materials provide practical guidance to help cities apply for IRA Elective Pay, including how to file for tax credits, coordinate across agencies, and maximize financial and community benefits. It is especially useful for cities with completed or in-progress projects in areas such as clean energy generation, battery storage, EV charging, or zero-emission vehicles.

## Topics covered

Click the section titles below to view materials covering each topic:

1. **[Understand the Tax Credits:](#)** An overview of key Inflation Reduction Act (IRA) tax credits, including the Investment Tax Credit (ITC), Production Tax Credit (PTC), Clean Commercial Vehicle Credit, and Refueling Station Credit. Includes how these credits can be leveraged to advance local clean energy and infrastructure goals.
2. **[Pre-Filing & Filing Process:](#)** Overview of the steps of the Elective Pay process—from IRS registration and submission timelines to required forms and documentation to prepare accurate, compliant filings and avoid common administrative pitfalls.
3. **[Collaborate with Internal Stakeholders:](#)** How to build buy-in from internal teams, including legal, finance, and leadership; learn how to coordinate effectively, gather necessary authorizations, and streamline internal decision-making for smooth, timely filings.
4. **[Compliance & Procurement:](#)** Overview of key compliance requirements, including foreign entity restrictions, “beginning of construction” rules, and procurement guidelines, to maintain eligibility and document compliance across all project phases.
5. **[Strategy & Case Studies:](#)** Insights into strategies to maximize tax credit value through effective project structuring and funding alignment. Includes how to stack complementary financing sources and apply lessons from successful clean energy projects.
6. **[Tools & Resources:](#)** A curated list of mapping tools, filing resources, and FAQs to help cities prepare complete, compliant, and well-documented Elective Pay filings.