

A Simplified  
**Buyer's Guide**

for transferable tax credits

# What are transferable tax credits?

The Inflation Reduction Act (IRA), passed in 2022, included a new provision that allows project owners to sell eligible clean energy tax credits for cash to third-party businesses. As the number of renewable energy projects continues to grow, selling the transferable tax credits (TTCs) creates more financing options for project owners and allows businesses in all sectors to buy tax credits to support clean energy while reducing their tax liability.

## Who can sell?

Any business that has generated certain tax credits under the IRA 2022 can sell tax credits. Currently, 11 green energy tax credits are eligible for transferability.

## Who can buy?

Businesses in all sectors can purchase eligible energy tax credits. These range from larger corporations to SMBs. Stakeholders often include CFOs, tax executives, ESG and sustainability leads, law advisors, tax advisors, and family investment firms supporting HNW individuals.



# Eligible Credits

Section 30C credit for alternative fuel refueling property  
Section 45 renewable energy production credit (PTC)  
Section 45Q carbon capture credit  
Section 45U zero-emission nuclear power production credit  
Section 45V clean hydrogen production credit  
Section 45X advanced manufacturing production credit  
Section 45Y clean electricity production credit  
Section 45Z clean fuel production credit  
Section 48 energy investment tax credit (ITC)  
Section 48C qualifying advanced energy project credit  
Section 48E clean electricity investment credit

More detail on the eligible credits can be found at [6418\(f\)\(1\)\(A\)](#).

# Why Should Companies Buy?

Today, buyers have the opportunity to have more control over pricing, terms, and selection from available credits. This will shift as the market matures and the buyer pool grows.

If it isn't already, now is the time to incorporate tax credits into your financial strategy. You can start small and increase credit purchases in your long-term plan.

## KEY BENEFITS

- Reduce your tax liabilities
- Earn an economic return
- Support company ESG goals

## INDUSTRY SECTORS

Technology, CPG, Manufacturing, Real Estate, Healthcare, Retail, Automotive, Finance, Oil & Gas, and more

# Sample Deal

## \$50M Tax Credits for a Solar Project (ITC)



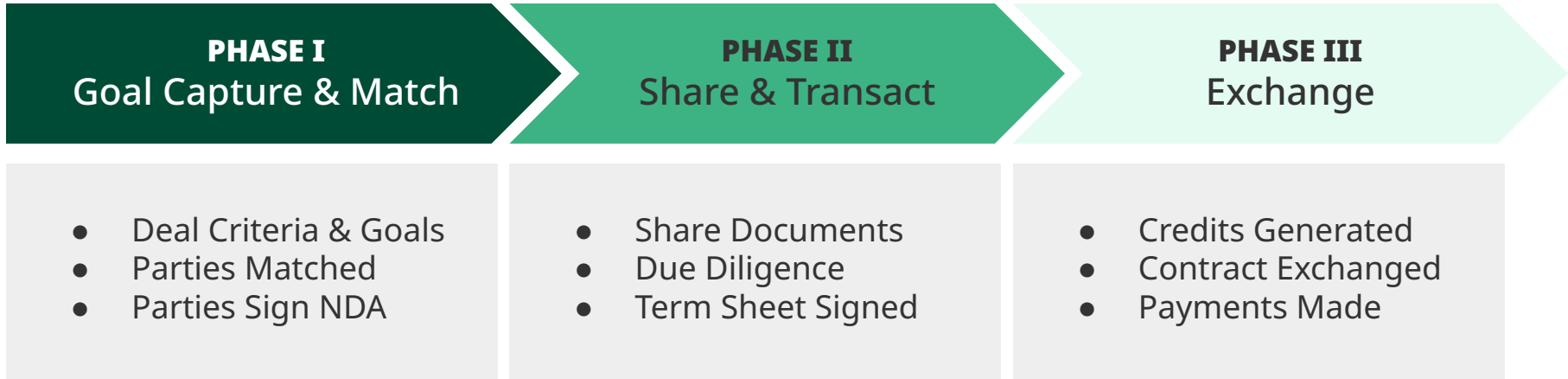
On average, tax credits are purchased at a 5-16% discount.

The smaller or riskier credits typically fall within the \$0.80 - \$0.87 range.

The high quality, secure credits typically go for more within the \$0.87 to \$0.95 range.

# How It Works

## Atheva's Streamlined Process



# Common Risks & Mitigation Tools

There can be potential risk associated with buying credits, but there are a handful of ways to mitigate during the deal process. Below is a breakdown of the common risks and mitigation tools available. Buyers can work with their partner, such as Atheva, to determine the appropriate needs for each credit.

## Common Risks

- Placed in Service Timing
- Recapture
- Eligible Basis & Disallowance
- Seller Creditworthiness

## Mitigation Tools

- Term Sheet
- Insurance
- Indemnities
- Guarantees

# Reduce your tax liability and support clean energy.

Atheva is the leading partner for clean energy tax transferability.

Our managed marketplace and personalized approach allow us to deliver the best match for companies based on their specific needs. We provide an easy, streamlined process from match to deal close.







# Contact Us

Curious about leveraging tax credits?  
Contact us to get started.



[atheva.com](https://atheva.com)