



Federal Tax Credits

Water Heater Incentives

Beginning 2023, the expanded version of 25C, now called the Energy Efficient Home Improvement Tax Credit (under the Inflation Reduction Act of 2022), will provide up to \$2,000 in tax credits for qualified water heaters as well as credits for electrical upgrades. Unlike the existing program, the expanded 25C tax credit has generous annual limits (not lifetime limits), meaning that the same customer could receive the credit for qualified energy efficient upgrades annually. This expansion will extend the program out to 2032.

Note: Qualifying water heating products and corresponding credit limits are based on finalized CEE (Consortium for Energy Efficiency) highest product category tiering as of 12/20/22. Rheem will communicate details on qualified equipment as new information becomes available.



HEAT PUMP WATER HEATER CATEGORY

30 & 15 Amp Hybrid Electric Heat Pump

| Previous Water Heater/ Replacement Scenario | Qualifying UEF Based on Highest CEE Tier | Energy Efficient Home Improvement Tax Credit |
|--|---|---|
| Standard Electric | ≥ 3.3 | 30% of product + installation cost, up to \$2000 |



All 120V 15 Amp Plug-in Heat Pump Models

| Previous Water Heater/ Replacement Scenario | Qualifying UEF Based on Highest CEE Tier | Energy Efficient Home Improvement Tax Credit |
|--|---|---|
| Standard Gas | ≥ 2.20 | 30% of product + installation cost, up to \$2000 |



HIGH EFFICIENCY GAS WATER HEATER CATEGORY

Gas-Fired Storage - Maximus Super High Efficiency Gas

| Previous Water Heater/ Replacement Scenario | Qualifying UEF Based on Highest CEE Tier | Energy Efficient Home Improvement Tax Credit |
|--|---|--|
| Standard Gas | $\geq .86$ | 30% of product + installation cost, up to \$600 |





Federal Tax Credits

Water Heater Incentives Continued

HIGH EFFICIENCY GAS WATER HEATER CATEGORY



Gas-Fired Tankless - Rheem IKONIC SR/S-Series

| Previous Water Heater/ Replacement Scenario | Qualifying UEF Based on Highest CEE Tier | Energy Efficient Home Improvement Tax Credit |
|--|---|--|
| Standard Gas | $\geq .95$ | 30% of product + installation cost, up to \$600 |



HIGH EFFICIENCY GAS BOILER CATEGORY



Gas-Fired ThermaForce™ Super High-Efficiency Boilers

| Previous Water Heater/ Replacement Scenario | Qualifying AFUE Based on Highest CEE Tier | Energy Efficient Home Improvement Tax Credit (expanded 25C) |
|--|---|---|
| Standard Gas Boiler | $\geq 95\%$ | 30% of product + installation cost, up to \$600 |



Gas-Fired ThermaForce™ Super High-Efficiency Combi Boilers

| Previous Water Heater/ Replacement Scenario | Qualifying AFUE Based on Highest CEE Tier | Energy Efficient Home Improvement Tax Credit (expanded 25C) |
|--|---|---|
| Standard Gas Combi Boiler | $\geq 90\%$ | 30% of product + installation cost, up to \$600 |



ELECTRIC UPGRADE

| Electric Upgrade | Replacement Scenario | Requirements | Energy Efficient Home Improvement Tax Credit |
|---|--|-----------------|---|
| Panelboard, sub- panelboard, branch circuits, or feeder | Must be installed in conjunction with a qualified energy project (e.g. HPWH, HP, AC); replaced load capacity < less than 200 Amps | ≥ 200 Amps | 30% of installation up to \$600 |