American Jobs in Energy Manufacturing Act of 2021 Proposes \$8 Billion in Tax Credits to Retool, Expand, or Build New Manufacturing Facilities

March 3, 2021

Charleston, WV

Renewables Law Blog

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Democratic Senators from West Virginia (Joe Manchin) and Michigan (Debbie Stabenow) have introduced legislation to make billions of dollars available to promote manufacturing related to energy efficiency and renewable energy. According to a press release, the proposed "American Jobs in Energy Manufacturing Act of 2021" would provide up to \$8 billion in tax credits to "manufacturers and other industrial users to retool, expand, or build new facilities that make or recycle energy-related products." Half of those credits are designated for communities adversely affected by closures of coal mines or power plants that have not

previously received similar tax credits. Under the proposed bill, credits are available for new construction or retrofitting of existing facilities to produce or recycle a range of energy products including:

- advance electric grid, energy storage, and fuel cell equipment;
- equipment for production of low-carbon, low emission fuels, chemicals and other products;
- renewable energy and energy efficiency equipment;
- products or technologies that capture, remove, use, or store carbon dioxide; and
- advanced vehicles, components, and related infrastructure.

The bill is intended to promote creation of domestic jobs that draw on skills possessed by individuals formerly employed in manufacturing, coal mining, or power plant operation. The bill also seeks to promote investment in communities experiencing high unemployment due to coal mine or power plant closures.

Tags: energy, Energy Manufacturing Act of 2021, Manufacturing, tax credits

