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Congress of the United States

JOINT COMMITTEE ON TAXATION
502 FORD HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-6453
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<http://www.jct.gov>

ROBERT P. HARVEY
DEPUTY CHIEF OF STAFF

March 31, 2023

MEMORANDUM

TO:

FROM: Robert Harvey *RH*

SUBJECT: Tentative Energy Credits by Industry

This memorandum is in response to your request for data on claims for certain energy credits by industry, including credits claimed by management companies. Below we report the tentative claims for credit under Code section 45, the credit for electricity produced from certain renewable resources, and the tentative claims for credit under section 48, the energy investment credit, by C corporations for the 2019 and 2020 tax years. The amounts reported are the tentative claims for credit before any limitation that the taxpayer might face and before any audit adjustment that might occur. For each of section 45 and section 48 we report the dollars of credit claimed by industry using the North American Industrial Classification System (“NAICS”) code level. Presenting these data at a finer level of detail potentially would create concerns of disclosure of information specific to taxpayers. For example, for section 45 we removed 2020 data for the wholesale and retail trade industry as the sample size became too limited.

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TO:
SUBJECT: Revenue Estimates

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Tentative Section 45 Credit for Electricity Produced from Certain Renewable Resources

Millions of dollars

NAICS Code	2018	2019	2020
22 Utilities	1,138	989	1,263
221100 Electric Power Generation, Transmission and Distribution	571	460	578
All other utilities	567	529	684
31 Manufacturing	515	266	188
41 Wholesale and Retail Trade	760	990	na
52 Finance and Insurance	943	877	871
524 Insurance	461	407	420
All other finance and insurance	482	469	451
55 Management of Companies (Holding Companies)	1,909	2,880	3,385
551111 Bank Holding Companies	1,898	2,839	3,354
551112 Other Holding Companies	11	41	31
All Other Industries	317	318	1,704
Total	5,581	6,319	7,410

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TO:
SUBJECT: Revenue Estimates

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Tentative Section 48 Energy Credit

Millions of dollars

NAICS Code	2018	2019	2020
11 Agriculture, Forestry, Fishing, and Hunting	13	10	na
22 Utilities	1,127	1,118	1,191
221100 Electric Power Generation, Transmission and Distribution	999	906	1,063
All other utilities	128	212	128
23 Construction	36	67	39
31 Manufacturing	342	245	247
42 Wholesale Trade	81	175	147
44 Retail Trade	271	299	547
52 Finance and Insurance	658	657	1,372
522110 Commercial Banking	120	19	202
522120 Savings Institutions, Credit Unions	31	54	51
524 Insurance	403	389	539
All other finance and insurance	104	194	581
53 Real Estate and Rental Leasing	31	17	20
55 Management of Companies (Holding Companies)	2,231	2,749	3,169
551111 Bank Holding Companies	2,216	2,729	3,144
551112 Other Holding Companies	15	20	25
All Other Industries	102	187	316
Total	4,891	5,524	7,047

We note this analysis is based on income tax returns filed by C corporations where taxpayers report the industry in which they are primarily engaged, identifying the industry by the code numbers established under the NAICS. This is self-reported, and the Internal Revenue Service does not necessarily verify the accuracy of the classification stated by the taxpayer.

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March 31, 2023

MEMORANDUM**TO:****FROM:** Robert Harvey *RH***SUBJECT:** Distribution Data

This memorandum is in response to your request of March 28, 2023, for data on the distribution of claims for certain energy credits by the gross receipts of the taxpayer. Below we report the tentative claims for credit under Code section 45, the credit for electricity produced from certain renewable resources, and the tentative claims for credit under section 48, the energy investment credit, by C corporations for the 2019 tax year and 2020 tax year. The amounts reported are the tentative claims for credit before any limitation that the taxpayer might face and before any audit adjustment that might occur. For each of section 45 and section 48 we report the dollars of credit claimed categorized by gross receipts reported on line 1c of Form 1120, *U.S. Corporation Income Tax Return*.

**Tentative Section 45 Credit for Electricity Produced from
Certain Renewable Resources**
Tax years 2019 and 2020, Millions of Dollars

Gross Receipts Category	2019		2020	
	Amount of Credit	Percentage Share	Amount of Credit	Percentage Share
Less than \$1 billion	349	5.5%	231	3.1%
\$1 billion - \$25 billion	2,538	40.2%	2,560	34.6%
More than \$25 billion	3,432	54.3%	4,619	62.3%
Total	6,319	100.0%	7,409	100.0%

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TO:
SUBJECT: Distribution Data

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Tentative Section 48 Energy Credit Tax years 2019 and 2020, Millions of Dollars

Gross Receipts Category	2019		2020	
	Amount of Credit	Percentage Share	Amount of Credit	Percentage Share
Less than \$1 billion	571	10.3%	558	7.9%
\$1 billion - \$25 billion	2,731	49.4%	2,740	38.9%
More than \$25 billion	2,222	40.2%	3,748	53.2%
Total	5,524	100.0%	7,047	100.0%

Note: Details may not sum to totals due to rounding.