

# FACT SHEET



virginia interfaith  
power & light

[www.vaip.org](http://www.vaip.org)

## Inflation Reduction Act

### Problem:

- Virginia families cannot afford or access energy-efficient solutions, including electric vehicles, heat pumps, and home solar.
- Low-wealth communities, especially Black, Brown, and Indigenous communities, have suffered from the climate crisis at an exaggerated rate and have not been included in policy conversations.
- Greenhouse gas emissions have not been cut at a rate that would ensure America meets its Paris Climate Agreement goals, threatening all Virginians with the dangers of extreme climate change.
- Many Virginia communities, especially in Hampton Roads, are at the frontlines of rising sea levels.
- Virginians are facing rising utility bills and other expenses caused by rising temperatures and climate change.
- Virginians are hurting at the gas pump as fuel prices remain at near record highs

### Call to Action:

- Call on Federal and State regulators to distribute IRA funds quickly and responsibly and with disadvantaged communities in mind
- Call on Congress to pass the Environmental Justice for All Act that directly covers environmental justice priorities
- Call on Congress to reject permitting reform supported by Sen. Joe Manchin that would allow for further drilling, mining, and transport of harmful fossil fuels, including in disadvantaged communities.

### What IRA Brings to Virginia:

- Discounts of up to \$7500 for some new electric vehicles.
- Businesses with commercial building space can receive credit up to \$5/square foot to make energy efficiency improvements to the space, lowering energy bills and reducing pollution.
- 30% tax credits for community solar projects, with 50% tax credits for community solar in affordable housing projects
- New rebates are available to low and moderate-income Virginians covering up to 100% of cost of installing new electric devices, including heat pumps and water heaters
- Grants to state and local governments to upgrade to latest energy codes, lowering energy bills for consumers
- Affordable housing units will be eligible for storm resilience and flood proofing improvements
- \$11.6 billion investment in clean energy power and storage generation, with credit to companies paying prevailing wage to incentivize better paying jobs for Virginians providing clean energy.

Sources: White House Virginia IRA state fact sheet

### What That Means:

- Low-income Virginians now have numerous available tax credits and rebates that will allow them to make energy-efficient improvements to their cars and homes that save on bills and reduce pollution.
- Historically disadvantaged communities in Virginia have funds specifically targeted to improving their communities.
- America is now much closer to reaching its Paris Agreement goals with a real chance of averting the worst climate change outcomes.

*Virginia Interfaith Power & Light collaborates, as people of faith, to grow healthy communities and advance climate justice through education, advocacy, and worship.*