

# Proposed regulations issued on Section 45V clean hydrogen production tax credit

December 22, 2023

## In brief

### What happened?

Section 45V provides a tax credit for qualified clean hydrogen produced by a taxpayer after 2022 at a qualified clean hydrogen facility. On December 22, the IRS and Treasury issued proposed regulations on the Section 45V credit. The regulations are proposed to apply to tax years beginning after final regulations are published in the Federal Register. The preamble to the proposed regulations provides that taxpayers may rely on the proposed regulations for tax years beginning after 2022 if they apply all of the proposed regulations in a consistent manner.

### Why is it relevant?

The Section 45V credit has generated many comments from taxpayers and environmentalists suggesting sometimes inconsistent rules to be included in proposed regulations. Therefore, the Section 45V proposed regulations have been highly anticipated.

### What to consider:

Comments are due by February 24, 2024. A public hearing is scheduled for March 25, 2024. A forthcoming PwC insight will provide detailed information on significant rules and highlight important issues on which taxpayers may wish to comment.

## Let's talk

For a deeper discussion of how the Section 45V tax credit might affect your business, please contact one of the PwC professionals listed below:

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