

# OBBBA’s energy tax credit cuts affect \$565B in projects and 662K jobs, largely in GOP districts

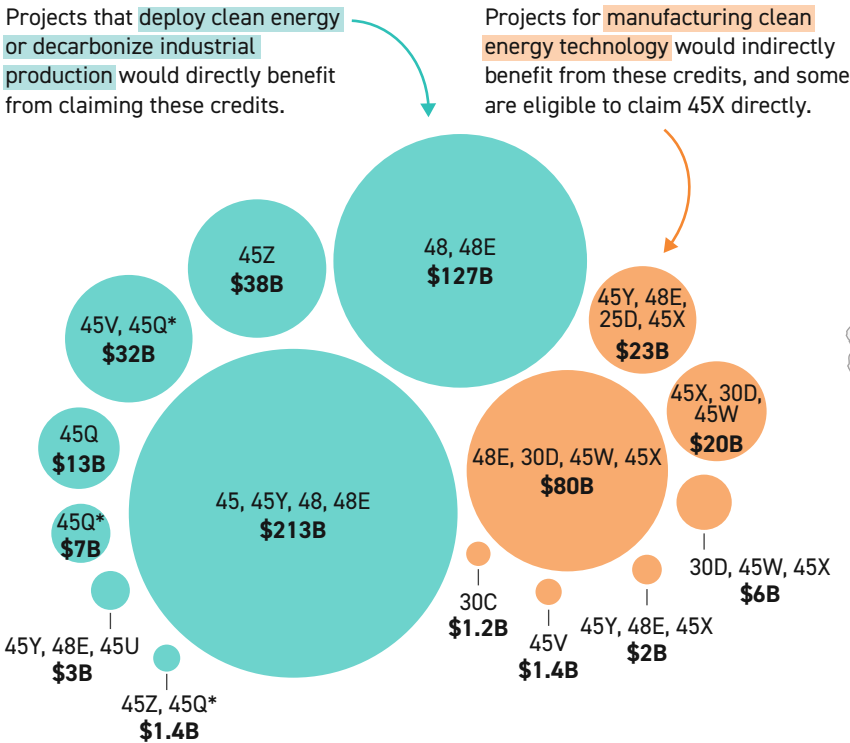
BY CATHERINE ALLEN | 07/30/2025

The One, Big, Beautiful Bill Act could jeopardize more than 662,000 jobs tied to unfinished clean energy projects announced in the last seven years and over \$565 billion worth of investments announced since the passage of the IRA, according to a POLITICO analysis. Most of that investment — \$445 billion — and nearly 498,000 expected jobs are for facilities in Republican districts, 28 of which are DCCC targets for the 2026 election.

Since the IRA took effect in August 2022, companies have used its series of tax credits in tandem to invest in energy generation and clean energy technology manufacturing. But now, under the new law, those tax credits come with stricter rules and tighter deadlines. The OBBBA shortened the timelines for wind, solar, hydrogen and critical mineral credit eligibility and added new production restrictions for carbon capture, nuclear and clean fuel credits. It also scrapped consumer credits for clean vehicles, residential clean energy and energy efficiency upgrades, lowering the demand for clean energy manufacturing facilities that indirectly benefit from consumer credits.

## OBBBA cuts could impact \$347B worth of investments in clean power

Investments in announced and operational projects after the IRA, grouped by tax credit eligibility



\*These projects are only eligible for 45Q if claimed for carbon capture and storage.

Note: The tax credit-level analysis consists of projects announced after the IRA was enacted on Aug. 16, 2022 that are operational, under construction or planned. The analysis of expected jobs includes facilities that are planned or under construction. The map shows both construction jobs, which are temporary, and operational jobs, which are permanent facility roles. This comes from a larger list of projects than the tax credit subset, as it includes facilities announced since the start of 2018. All investments and project statuses are as of March 31, 2025.

## IRA tax credit cuts would affect investments in solar, wind, batteries, hydrogen and more — primarily in GOP districts

Projects categorized by the group of tax credits they’d directly and indirectly benefit from

### Tax credits for **clean energy deployment and industrial production**

TAX CREDITS	ANNOUNCED INVESTMENTS	PURPOSE	DISTRICTS WITH LARGEST INVESTMENTS
45, 45Y, 48, 48E	\$212.7B	Nearly all of these investments are in solar and wind. A small percentage is for other energy sources such as geothermal.	<div>Rep. Ronny L. Jackson (TX-13)</div> <div>Rep. Jodey Arrington (TX-19)</div> <div>Rep. Paul Gosar (AZ-09)</div>
48, 48E	\$126.6B	Battery or hydroelectric pumped storage.	<div>Rep. Paul Gosar (AZ-09)</div> <div>Rep. Tony Gonzales (TX-23)</div> <div>Rep. Celeste Maloy (UT-02)</div>
45Z	\$37.7B	Sustainable aviation fuel investments in the transportation sector.	<div>Rep. August Pfluger (TX-11)</div> <div>Rep. Brian Babin (TX-36)</div> <div>Rep. Michelle Fischbach (MN-07)</div>
45V, 45Q*	\$32B	Hydrogen production. Facilities would also be eligible for 45Q if claimed for carbon capture and storage.	<div>Rep. Troy Carter (LA-02)</div> <div>Rep. Clay Higgins (LA-03)</div> <div>Rep. Randy Weber (TX-14)</div>
45Q	\$13.1B	Carbon management, mainly direct air capture.	<div>Rep. Harriet Hageman (WY-At Large)</div> <div>Rep. Mike Johnson (LA-04)</div> <div>Rep. Brian Babin (TX-36)</div>
45Q (Carbon capture and storage only)	\$6.9B	Mostly iron and steel production. Facilities would be eligible for 45Q if claimed for carbon capture and storage.	<div>Rep. Pete Stauber (MN-08)</div> <div>Rep. Warren Davidson (OH-08)</div> <div>Rep. Erin Houchin (IN-09)</div> <div>Rep. Vince Fong (CA-20)</div>
45Y, 48E, 45U	\$3B	One nuclear reactor investment in Wyoming.	<div>Rep. Harriet Hageman (WY-At Large)</div>
45Z, 45Q*	\$1.4B	Ethanol production in the transportation sector. Facilities would be eligible for 45Q if claimed for carbon capture and storage.	<div>Rep. Randy Feenstra (IA-04)</div> <div>Rep. Dusty Johnson (SD-At Large)</div> <div>Rep. Ashley Hinson (IA-02)</div>

\*These projects are only eligible for 45Q if claimed for carbon capture and storage.

### Tax credits for **clean energy manufacturing**

TAX CREDITS	ANNOUNCED INVESTMENTS	PURPOSE	DISTRICTS WITH LARGEST INVESTMENTS
48E, 30D, 45W, 45X	\$79.8B	Batteries; indirect benefit from battery storage and clean vehicle tax credits. These investments are potentially eligible to claim 45X directly.	<div>Rep. Richard Hudson (NC-09)</div> <div>Rep. Mark Amodei (NV-02)</div> <div>Rep. James Clyburn (SC-06)</div>
45Y, 48E, 25D, 45X	\$22.8B	Solar; indirect benefit from technology-neutral tax credits and the residential clean energy credit. These investments are potentially eligible to claim 45X directly.	<div>Rep. Barry Loudermilk (GA-11)</div> <div>Rep. Melanie Stansbury (NM-01)</div> <div>Rep. Kristen McDonald Rivet (MI-08)</div>
45X, 30D, 45W	\$19.6B	Zero-emission vehicles; indirect benefit from the clean vehicle and advanced manufacturing credits.	<div>Rep. Brian Jack (GA-03)</div> <div>Rep. Shomari Figures (AL-02)</div> <div>Rep. Joe Wilson (SC-02)</div>
30D, 45W, 45X	\$6B	Critical minerals; indirect benefit from clean vehicle credits. These investments are potentially eligible to claim 45X directly.	<div>Rep. Josh Brecheen (OK-02)</div> <div>Rep. Michael Cloud (TX-27)</div> <div>Rep. Tom Cole (OK-04)</div>
45Y, 48E, 45X	\$1.7B	Wind; indirect benefit from technology-neutral tax credits. These investments are potentially eligible to claim 45X directly.	<div>Rep. Randy Weber (TX-14)</div> <div>Rep. Kweisi Mfume (MD-07)</div> <div>Rep. Paul Tonko (NY-20)</div>
45V	\$1.4B	Electrolyzers; indirect benefit from hydrogen production tax credit.	<div>Rep. Lori Trahan (MA-03)</div> <div>Rep. Jennifer McClellan (VA-04)</div> <div>Rep. Brian Babin (TX-36)</div>
30C	\$1.2B	EV chargers; indirect benefit from the tax credit for alternative fuel equipment in low-income and rural areas.	<div>Rep. Marc Veasey (TX-33)</div> <div>Rep. Greg Landsman (OH-01)</div> <div>Rep. Andy Ogles (TN-05)</div>

Source: Clean Investment Monitor, a joint effort between Rhodium Group and MIT’s Center for Energy and Environmental Policy Research