

# 2023 Efficiency Requirements for 25C Tax Credits

Split Central Air Conditioner - All Regions (National)	
SEER2	EER2
≥16.0	≥12.0

Packaged Central Air Conditioner - All Regions (National)	
SEER2	EER2
≥15.2	≥11.7

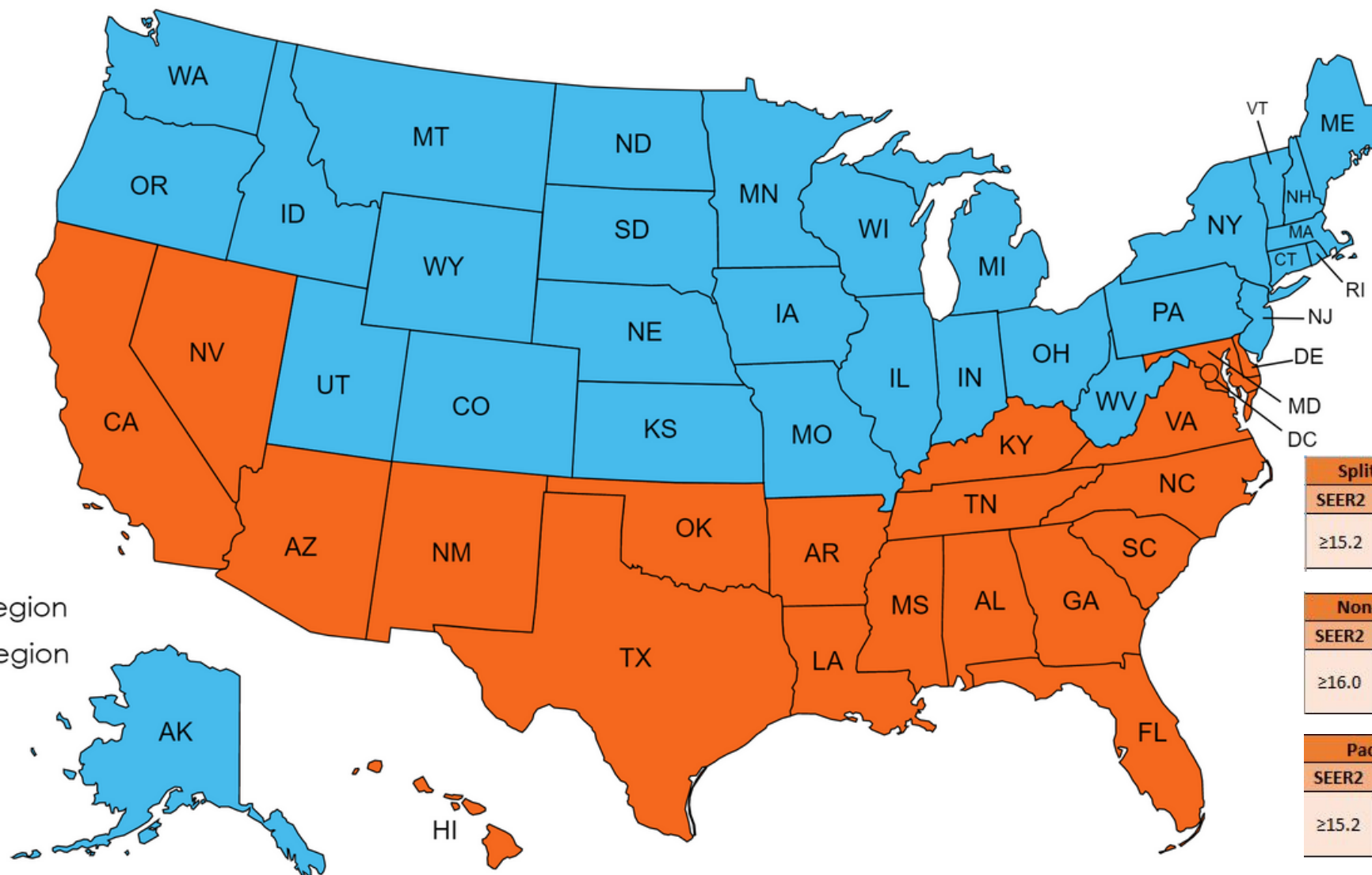
Gas Furnaces - All Regions (National)	
AFUE	
≥97%	

Gas Boilers (Hydronic) - All Regions (National)	
AFUE	
≥95% with Thermal Load Management	

Gas Water Heaters - All Regions (National)	
UEF	
≥.78 with ENERGY STAR 3.2 Compliance	

Gas Tankless Water Heaters - All Regions (National)	
UEF	
≥.92 with ENERGY STAR 3.2 Compliance	

Heat Pump Water Heaters - All Regions (National)	
UEF	
≥3.10 with ENERGY STAR 3.2 Compliance	



■ North Region  
■ South Region

Split Ducted Heat Pump Specifications - North Region				
SEER2	EER2	HSPF2	COP at 5 °F*	Capacity Ratio <sup>^</sup>
≥15.2	≥10.0	≥8.1	≥1.75	≥58% at 17°F/47°F or ≥70% at 5°F/47°F

Non-Ducted Heat Pump Specifications - North Region				
SEER2	EER2	HSPF2	COP at 5 °F*	Capacity Ratio <sup>^</sup>
≥16.0	≥9.0	≥9.5	≥1.75	≥58% at 17°F/47°F or ≥70% at 5°F/47°F

Packaged Heat Pump Specifications - North Region				
SEER2	EER2	HSPF2	COP at 5 °F*	Capacity Ratio <sup>^</sup>
≥15.2	≥10.0	≥8.1	≥1.75	≥58% at 17°F/47°F or ≥70% at 5°F/47°F

Split Ducted Heat Pump Specifications - South Region		
SEER2	EER2	HSPF2
≥15.2	≥11.7	≥7.8

Non-Ducted Heat Pump Specifications - South Region		
SEER2	EER2	HSPF2
≥16.0	≥12.0	≥9.0

Packaged Heat Pump Specifications - South Region		
SEER2	EER2	HSPF2
≥15.2	≥10.6	≥7.2



# 25c Facts

- Beginning in 2023, the 25C energy efficiency tax credit will give you up to 30% back on the purchase and installation cost of qualified home upgrades.
- The credit isn't unlimited – it's capped annually at \$2000 for heat pumps and heat pump water heaters and \$1200 for other upgrades.
- You may stack credits = \$3200 annual max
- The credit is not refundable. It only reduces the amount of tax you owe. You will not get the money back as a tax refund.
- The credit resets each year, and the homeowner may use the credit again and again.
- The credit is available until 2032.
- To qualify you must be a tax payer living in a home or apartment. Renters may be able to qualify for upgrades such as a window heat pump.
- New construction does not qualify – it must be an existing dwelling.
- If you are a landlord, you cannot use the credit for properties you do not live in – no rentals, Airbnb, etc.