

FACT SHEET: Electric vehicle federal tax credit

As of November 29, 2022

*Note: this credit is **not in scope for Tax-Aide**. The information below is **to answer basic taxpayer questions**.*

Sources:

- <https://www.irs.gov/businesses/plug-in-electric-vehicle-credit-irc-30-and-irc-30d>
- <https://afdc.energy.gov/laws/electric-vehicles-for-tax-credit>
- <https://electrek.co/2022/11/16/which-electric-vehicles-still-qualify-for-us-federal-tax-credit/>
- Vehicles *delivered* by December 31, 2022, fall under the **old rules** for the tax credit.
 - So, for example, Tesla vehicles delivered by year-end 2022 are *not* eligible for any federal credits for tax year 2022 because the manufacturing cap of 200,000 vehicles, in effective *until December 31, 2022*, was exceeded some years ago.
 - **However**, vehicles for which a binding contract was signed on or after August 16, 2022, and delivered by year-end, *must meet the new final assembly requirements*, even though the credit is otherwise based on old rules.
 -
- Vehicles for which a binding contract was signed before August 16, 2022 (date of bill signing) but delivered after December 31, 2022, fall under the **old rules** for the tax credit.
- Vehicles for which a binding contract was signed on or after August 16, 2022, and delivered in 2023, fall under the **new rules**. The tax credit is on the 2023 tax year.
- 2023 (and subsequent) tax credits have three types of additional requirements.
 - There are new requirements regarding **assembly of the vehicle in North America**.
 - A complete list of eligible vehicles (as of November 16, 2022; manufacturing locations and practices may change after that date) is at
 - There are requirements regarding **price**: for new vehicles, the MSRP must be \$80k or less for SUVs, vans, and trucks; and \$55k or less for all other vehicles.
 - There are **income** limits: Modified gross income limit of \$150k for individuals, \$225k for head of household, and \$300k for joint returns