

**CANCELLED BY THE
TRUMP ADMINISTRATION**



Electric Vehicle (EV) Inflation Reduction Act Tax Credits

Incentives for electric vehicles that are more affordable to operate and fuel are here!

Minnesotans statewide, from Red Wing to Roseau, are eager to embrace clean transportation. EVs offer significant benefits: lower daily fuel costs, easy home charging, minimal maintenance (no oil changes!), reduced air pollution, and a smaller climate footprint. (Transportation is Minnesota's top source of greenhouse gas emissions!) Yet, the high price of EVs has been a major obstacle.

The Inflation Reduction Act (IRA) reduces that barrier by expanding Tax Credits on new and used EVs that lower the cost by cutting your federal tax bill.

EV Tax Credit Amounts

NEW

Up to \$7,500

USED

\$4,000

On New EVs

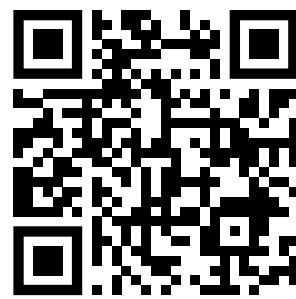
(Cars MSRP \$55,000 or less
and SUVs, trucks, and vans
MSRP \$80,000 or less)

On Used EVs

(at least two years old and
priced \$25,000 or less)

Which EVs Qualify?

Fully electric vehicles (aka battery electric vehicles – BEV) and plug-in hybrids (PHEV) can both qualify for the Tax Credit.



Who Qualifies? Most Minnesotans

The New EV tax credit income-limits: (modified adjusted gross income)

- \$300,000 for married couples filing jointly
- \$225,000 for heads of households
- \$150,000 for all other filers

The Used EV tax credit income-limits: (modified adjusted gross income)

- \$150,000 for married couples filing jointly
- \$112,000 for heads of households
- \$75,000 for all other filers



Electric Vehicle (EV) Inflation Reduction Act Tax Credits

Incentives for electric vehicles that are more affordable to operate and fuel are here!

WHY DO CERTAIN EVS QUALIFY RIGHT NOW, AND OTHERS DON'T?

Because for new cars, the credit breaks down to 2 stipulations, each worth up to \$3,750:

1. the vehicle must meet battery manufacturing requirements, and
2. must meet critical mineral requirements. These requirements supply the industry incentive because to remain eligible for an incentivized market, manufacturers need to invest in their domestic supply lines and production.

TAX CREDITS REDUCE THE TOTAL TAXES YOU OWE IN FEDERAL INCOME TAXES.

If you don't have enough tax liability to claim all or a portion of the tax credit in the year in which the qualifying expenditure is incurred, the Electric Vehicle Tax Credit can't be carried forward and can never be claimed.

The EV Tax Credit is a nonrefundable personal tax credit. This means that you can only use it to decrease or eliminate tax liability. You won't receive a tax refund for any amount exceeding your tax liability for the year.

HOW DO I QUALIFY FOR THE FULL TAX CREDIT?

To receive the entire amount of the EV Tax Credit you must have a total Federal tax bill of at least that amount.

TAX CREDIT IMPROVEMENTS IN 2024!

Starting in 2024, the tax credit will start to look like a rebate! How? The tax credit will be available to be transferred to a seller (the car dealer) for an upfront discount, lowering the price of the vehicle immediately which makes for easier financing options and lower monthly payments.

EV Drivers
in rural or
low-income
communities

also qualify to receive a

\$1000 tax credit
for installing an
EV charger at home!

Learn more here:
[rewiringamerica.org/
app/ira-calculator/
information/ev-
charger](https://rewiringamerica.org/app/ira-calculator/information/ev-charger)



Stay in the know about upgrades!

Learn more about saving money at home
and on transportation through IRA Tax Credits.

Visit curemn.org/ira-info

CURE