

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us



The Inflation Reduction Act (IRA) generally enhances the up-to-\$7,500 tax credit for electric vehicles (EVs) and plug-in hybrids, but the news isn't good for all taxpayers.

Sticker shock. A taxpayer won't qualify for the EV credit in 2023 if their income is too high or the vehicle costs too much. First, you can't claim the credit if you're a single filer with a modified adjusted gross income (MAGI) of \$150,000 or under or \$300,000 if you file jointly. Second, you don't qualify if the vehicle is a passenger car costing more than \$55,000 or a van, SUV or pickup truck costing more than \$80,000. Watch out for these dollar limits.

Resale value. Previously, the EV credit was only available to purchasers of new vehicles. The IRA allows a credit of up to \$4,000 for buying a *used vehicle*, but you must certain requirements. Notably, the credit is only available to single filers with a

MAGI no more than \$75,000 or \$150,000 for joint filers and the vehicle can't cost

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

IRS • Taxes

CPA Practice Advisor is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors.

© 2024 Firmworks, LLC. All rights reserved