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new consumer tax credits.

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By Riley Beggin, The Detroit News (TNS)

Ford Motor Co. is asking the federal government to limit what it dubs a “foreign entity of concern” in order to expand the number of vehicles qualifying for a new, more stringent \$7,500 electric vehicle tax credit.

The automaker was responding to a request from the U.S. Department of Treasury on how it should implement the consumer tax credits passed through the Inflation

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concern” in an effort to distance U.S. companies from a China-controlled battery supply chain.

Experts say the new credit will make electric vehicles more accessible in the long-term, but will prove challenging for automakers to meet in the short term.

A leading auto industry group estimates no vehicles will qualify for the full \$7,500 credit come January, when most requirements kick in. Ford and General Motors Co. have told investors they expect to have some vehicles qualify for half of the credit by January and Stellantis NV says it expects to qualify when it launches U.S. EVs in 2024.

In comments submitted to the Treasury Thursday night, Ford said it supports the goal of strengthening local and ally-based battery and critical mineral production. But “an overly expansive interpretation of this provision risks undermining that very same objective by making the clean vehicle credit largely unavailable.”

The list of foreign entities of concern includes China, Venezuela, Russia, Iran and others.

Ford urged the Treasury not to disqualify joint ventures with non-U.S. partners that aren't from a listed country; non-U.S. companies that aren't organized in a listed country if it's less than 50% owned by a listed country; and any U.S.-organized company regardless of owners.

The company added that it “strongly encourages” the government to clarify for automakers, suppliers, dealers and customers what vehicles are eligible and how companies can show they qualify. “Doing so will allow more customers to benefit from the incentive now and into the future and push automakers and suppliers to build up the supply chains that are critical to our economic and national security.”

The automaker also asked for the government to broadly interpret words that will

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Other major automakers were expected to submit comments to the Treasury before the end of the day Friday, when the comment period closes.

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