



## Clean Vehicle Credit

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**Federal Agency:** Department of the Treasury

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**IRA Statutory Location:** 13401

**Tax Code Location:** 26 U.S. Code § 30D

**Tax Provision Description:** Provides a tax credit for purchasers of clean vehicles.

**Period of Availability:** Generally, vehicles placed in service in 2023-2032. Some of the 30D rules have differing timeframes.

**Tax Mechanism:** Tax credit for consumers

**New or Modified Provision:** Modified and extended. Credit extended with new rules pertaining to final assembly in the United States, critical minerals/battery components, and foreign entities of concern. Per manufacturer limit is lifted.

**Eligible Recipients:** The tax credit is not available for consumers who have adjusted gross incomes for the current or preceding year above \$300,000 (couples), \$225,000 (heads of household), \$150,000 (singles). Not inflation adjusted.

**Tribal Eligibility:** Yes, point of sale transfer to registered dealers (definition of “dealer” includes persons licensed by Indian Tribal governments to engage in the sale of vehicles)

**Base Credit Amount:** \$0

**Bonus Credit Amount:** \$3,750 credit for vehicles meeting critical minerals requirement. The vehicle must contain a threshold percentage of critical minerals extracted or processed in the United States or in a country with which the United States has a free trade agreement, or recycled in North America. Additional \$3,750 credit for vehicles meeting the requirement that a threshold percentage of battery components be manufactured or assembled in North America. Vehicles must meet other requirements, including final assembly in North America and MSRP limits (generally \$55,000; for vans, SUVs, and pickups \$80,000). Starting in 2024, qualifying vehicles cannot have battery components manufactured or assembled by a foreign entity of concern. Starting in 2025, qualifying vehicles’ batteries cannot contain critical minerals extracted, processed, or recycled by a foreign entity of concern.

**Direct Pay Eligibility:** No

**Transferability:** Yes. Starting in 2024, transferable only to the dealer at point of sale under section 30D(g) but not under section 6418.



**Stackability:** Cannot claim both 30D credit and 45W credit.

**Relevant Announcements:** [Plug-in Electric Drive Vehicle Credit at a Glance \(8/16/2022\)](#)  
[Frequently Asked Questions on the Inflation Reduction Act's Initial Changes to the Electric Vehicle Tax Credit \(8/16/2022\)](#)  
[Request for Comments on Credits for Clean Vehicles \(10/5/2022\)](#)  
[Treasury and IRS set out procedures for manufacturers, sellers of clean vehicles \(12/12/2022\)](#)  
[Frequently Asked Questions About the New, Previously-Owned and Qualified Commercial Clean Vehicles Credit \(12/29/2022\)](#)  
[Notice of Intent to Propose Regulations on the Tax Credit for New Clean Vehicles \(12/29/2022\)](#)