



Credit for Qualified Commercial Clean Vehicles

Federal Agency: Department of the Treasury

IRA Statutory Location: 13403

Tax Code Location: 26 U.S. Code § 45W

Tax Provision Description: Provides a tax credit for purchasers of qualified commercial clean vehicles

Period of Availability: Vehicles placed in service after 1/1/23 and acquired before 1/1/33.

Tax Mechanism: Tax credit for commercial use or lease

New or Modified Provision: New

Eligible Recipients: Businesses that acquire motor vehicles or mobile machinery for use or lease; tax-exempt entities that acquire them for use.

Tribal Eligibility: Yes

Base Credit Amount: The amount of the credit is the lesser of (a) 15% of the vehicle's basis (i.e. its cost to the purchaser) or 30% for vehicles without internal combustion engines, or (b) the amount the purchase price exceeds the price of a comparable internal combustion vehicle. The credit is capped at \$7,500 for vehicles < 14,000 lbs and \$40,000 for all other clean vehicles.

Bonus Credit Amount: None

Direct Pay Eligibility: Yes, for states, political subdivisions, tax-exempt organizations (other than co-ops described in section 521), and Indian Tribal governments.

Transferability: No

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

Relevant Announcements: [Request for Comments on Section 45W Credit for Qualified Commercial Clean Vehicles \(11/3/2022\)](#)
[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 on the "Incremental Cost" of Vehicles Eligible for the Commercial Clean Vehicle Tax Credit \(12/29/2022\)](#)