

# 2025 EV Tax Credits

#### UPDATES, ELIGIBILITY & EXPERT ADVICE

JULY 16, 2025

## Agenda

- Introduction
- Why Go Electric?
- Electric Vehicle Market Overview
- EV Incentives Overview
- Federal Tax Credits
- **o6** EV Market Today and Available EVs
- Resources for EV Shoppers
- Key Takeaways

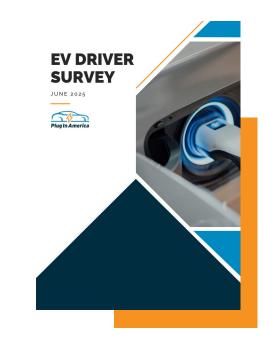
## Introduction

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#### **Plug In America**







RESEARCH

**EDUCATION** 

ADVOCACY

#### **Meet our speakers**



#### LINDSEY PERKINS

Communications Director



INGRID MALMGR<u>EN</u>

Senior Policy Director



DERRICK VARGAS

Program Manager

Plug In America does its best to provide current, accurate information, but we are not tax professionals. Consult your tax advisor to see if you qualify.

### A few housekeeping items

- Yes, this webinar will be recorded. Look for it on pluginamerica.org/credit
- You can ask a question in the Q&A box at any time.
- Terminology: We will use the term "EV" to describe both all-electric vehicles and plug-in hybrid EVs unless the rules specifically differentiate between the two.
- The numbers next to the descriptor of the tax credits (30D, 25E, 45W, 30C) are the section of the **tax code** for that specific tax credit.
- We may refer to Clean Vehicle Tax Credits as EV tax credits.
- The **Alternative Fuel Vehicle Refueling Property** tax credit is the tax credit for charging equipment. For the purposes of this webinar, we will refer to it as the EV charging tax credit.

## Why Go Electric?

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### Why Go Electric?



EVs cost less to fuel



# EVs require less maintenance



EVs have better warranties



EVs can support the electric grid

### Why Go Electric?



EVs reduce air pollution & improve public health



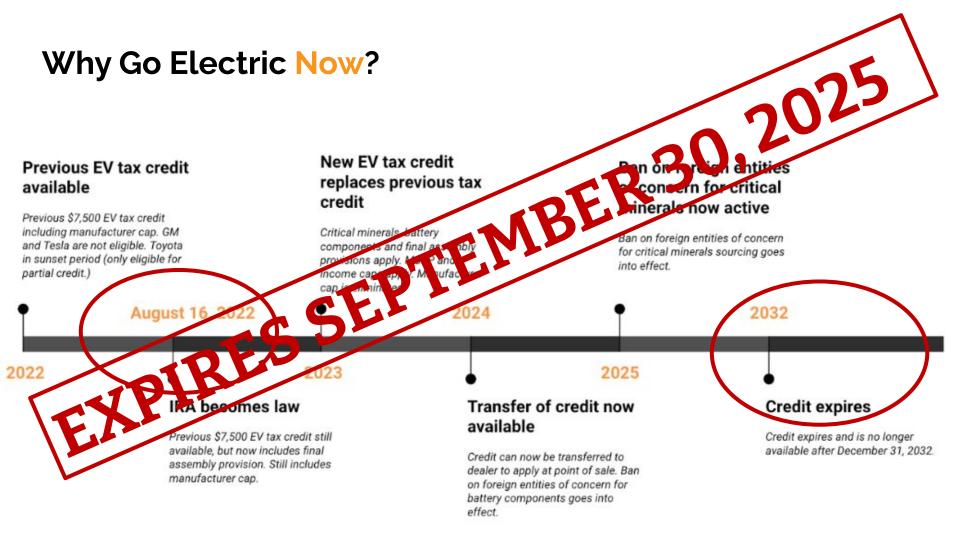
# EVs are better for the environment



EVs are fun to drive



EV drivers love their cars

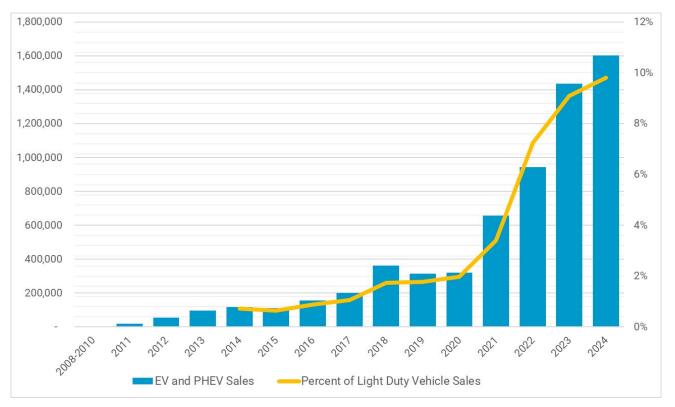


### It's EV Summer!

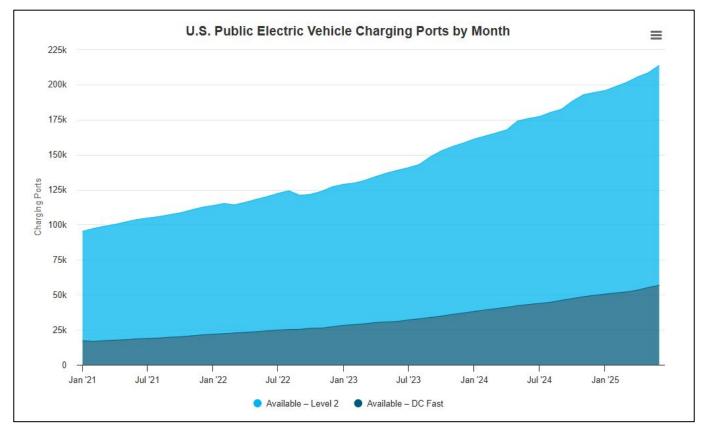
## **EV Market Overview**

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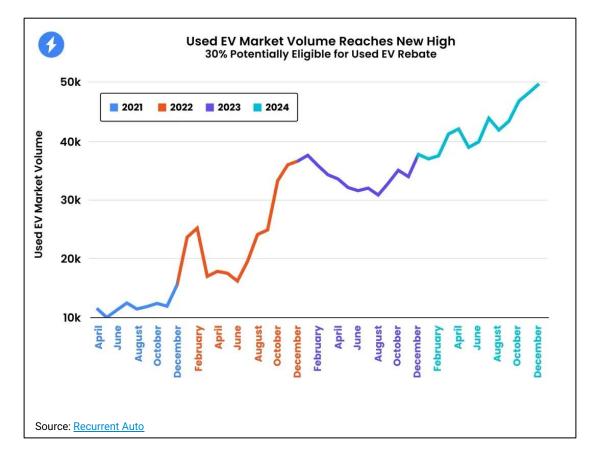
#### U.S. Electric Vehicle Sales



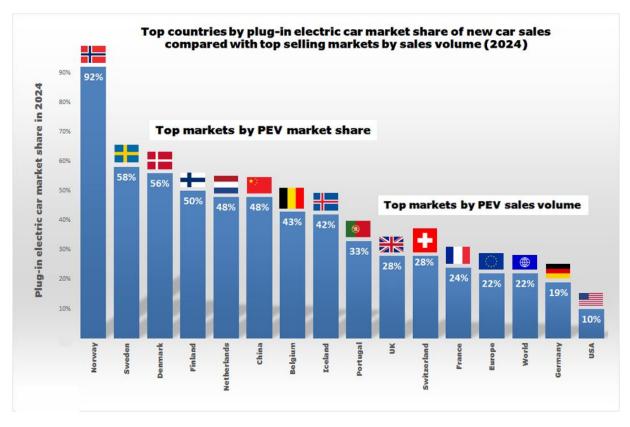
### U.S. Electric Vehicle Charging

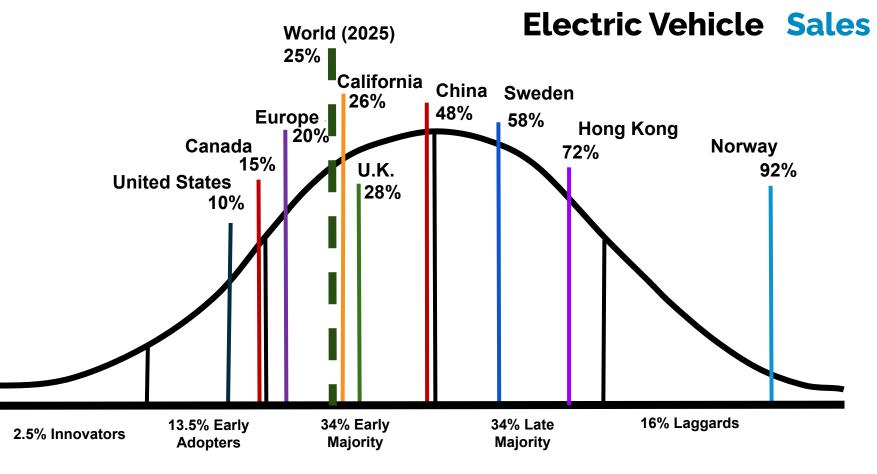


#### U.S. Used EV Market



#### **Global EV Sales**





## **EV Incentives**

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#### **Electric Vehicle Incentives**

Federal tax credits





State incentives

Utility or local incentives





This is for illustrative purposes. Not all states and utilities offer incentives and not all incentives are eligible for use with other incentives.

## **Federal Tax Credits**

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#### Federal Clean Vehicle & Charging Tax Credits









New Clean Vehicle Tax Credit (30D) **Used** Clean Vehicle Tax Credit (25E)

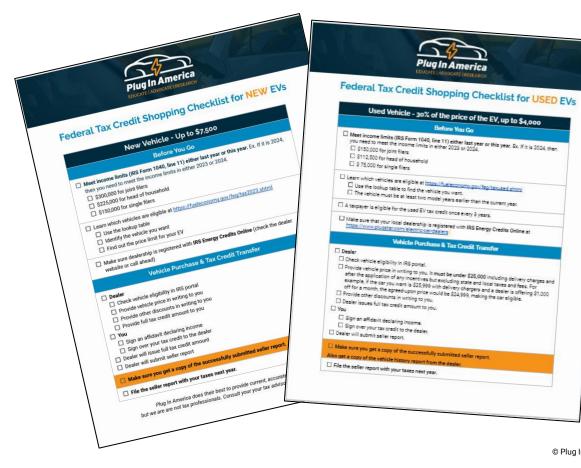
**Commercial** Clean Vehicle Tax Credit (45W)

**EV Charging** Tax Credit (30C)

#### **New & Used** Clean Vehicle Tax Credits

Get your EV Shopper Checklist:

pluginamerica.org/credit



#### Point-of-Sale Tax Credit

- Became available January 1, 2024.
- Buyers of new and used EVs can get the tax credit as an **instant rebate**.
- Buyers no longer need to have tax liability.
- Can be used as down payment.
- Saves on finance charges.
- Can be used to lower monthly payments.



### **Clean Vehicle Tax Credits**

#### **New Clean Vehicles**

- Tax credit amount is either \$7,500 or \$3,750 based on satisfying battery component and mineral sourcing.
- **Final assembly** must take place in North America.
- No battery components or minerals can come from a Foreign Entity of Concern.
- 60% of value of critical minerals must be mined or processed in the U.S. or FTA countries or recycled in North America.
- MSRP limits \$80,000 (SUV/pickup)/\$55,000 (other)
- Buyer must meet income limits
  - \$300,000 for joint filers
  - **Q** \$225,000 for head of household
  - □ \$150,000 for single filers

#### **Used Clean Vehicles**

- □ Tax credit amount is \$4,000 or 30% of the price of the vehicle.
- □ Vehicle price cannot exceed \$25,000
- A taxpayer is eligible for the used EV tax credit once every 3 years.
- A vehicle can only be eligible for the Used EV tax credit once.
- Buyer must meet income limits
  - □ \$150,000 for joint filers
  - **G** \$112,500 for head of household
  - □ \$ 75,000 for single filers

#### **Clean Vehicle Tax Credits**



Target moderate income drivers



Create manufacturing jobs





Drive innovation and economic development

#### **New & Used Clean Vehicle Tax Credits**

#### Before You Go To The Dealer

- Meet income limits (IRS Form 1040, line 11) either last year or this year.
- Make sure the vehicle you want meets the price limit.
- Learn which vehicles are eligible
- NEW
   <u>https://fueleconomy.gov/feg/tax2023.shtml</u>
- USED

https://fueleconomy.gov/feg/taxused.shtml



#### **New Clean Vehicle Tax Credit**

#### Before you go to the dealer

Make sure that your local dealership is registered with **IRS Energy Credits Online** by visiting **PlugStar.com** and navigating to the **Find A Dealer page**.





#### **New & Used** Clean Vehicle Tax Credit

Vehicle Purchase & Tax Credit Transfer
Dealer
Check vehicle eligibility in IRS portal
Provide vehicle price in writing to you
Provide other discounts in writing to you
Provide full tax credit amount to you
🗌 You
Sign an affidavit declaring income
Sign over your tax credit to the dealer
Dealer will issue full tax credit amount
Dealer will submit seller report
Make sure you get a copy of the successfully submitted seller report.
File the seller report with your taxes next year.

#### **Commercial Clean Vehicle** Tax Credits









New Clean Vehicle Tax Credit (30D) **Used** Clean Vehicle Tax Credit (25E) **Commercial** Clean Vehicle Tax Credit (45W) **EV Charging** Tax Credit (30C)

#### **Commercial** Clean Vehicle Tax Credit

- Used for fleet vehicles.
- Tax credit has direct pay option.
- Can be used by tax-exempt entities (municipal fleets, non-profits, schools).
- Can be used for USED EVs







#### **Commercial** Clean Vehicle Tax Credit

- Leases use this tax credit up to \$7,500.
- Finance company buys vehicle as business investment.
- Auto manufacturer passes the tax credit on through the lease.
- Tax credit on leases expands list of eligible EVs and drivers.

#### **Reminders**

- Check to make sure manufacturer is passing the tax credit along through the lease.
- Confirm with dealer to make sure the tax credit is included in lease calculations.



#### Alternative Fuel Vehicle Refueling Property Credit









New Clean Vehicle Tax Credit (30D)

**Used** Clean Vehicle Tax Credit (25E)

**Commercial** Clean Vehicle Tax Credit (45W)

**EV Charging** Tax Credit (30C)



Individual Tax Credit

**Business Tax Credit** 

Tax-Exempt Entity Tax Credit

### **EV Charging Tax Credit**



Must be in an eligible census tract (non-urban or low-income)



Must be new



Must be placed in service BY JUNE 30, 2026

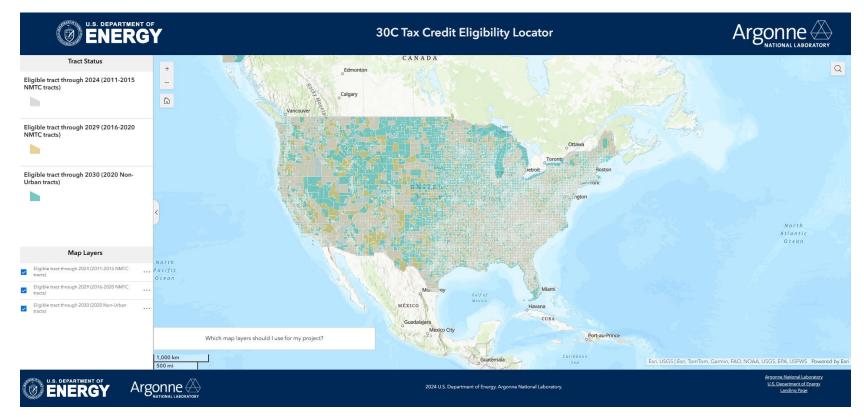


Can be bidirectional



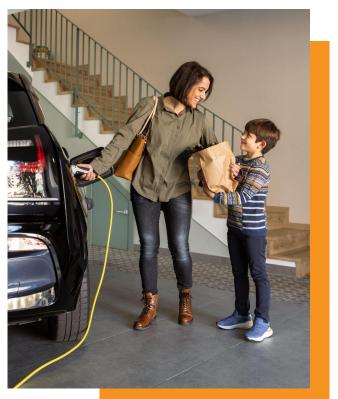
Equipment must be used in U.S. or U.S. territories by a domestic corporation or U.S. citizen

### **EV Charging Tax Credit - Eligible Census Tracts**



### EV Charging Individual Tax Credit

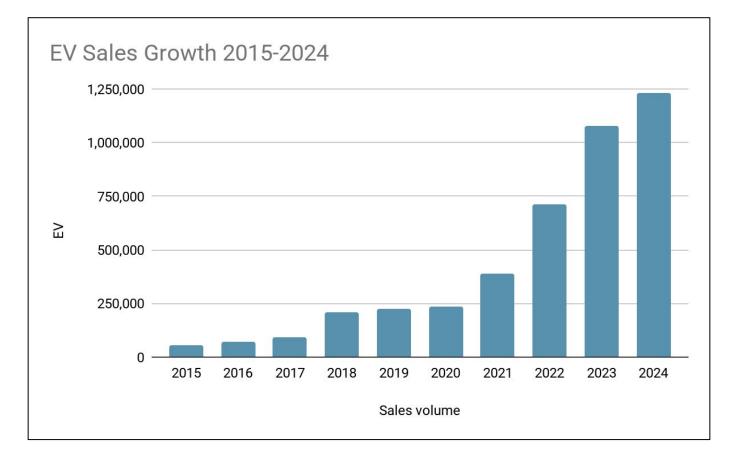
- Up to 30% or \$1,000 per single item of property.
- □ Must be installed at primary residence.
- **G** File for the tax credit with your tax return.
- Includes installation costs



## **EV Market Today**

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### EVs are here to stay



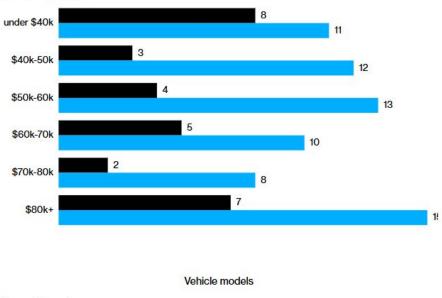
### Growing variety of available EVs

- There are **over 100 EV models and variants** on sale right now.
- Every single automaker in the U.S. has plans to **release more new EVs** over the next 5 years in all categories.
- The pre-owned EV market will expand by more than 1,000,000 lease returns over the next 2 years.
- Affordability for shoppers on a budget. 34% of pre-owned EV inventory is priced under \$25K, and 55% is under \$30K. For comparison, in the gas car market, nearly half of all used cars were \$20K or less in 2019. Today, only 11% are.

#### More EV Options Available in the US

In the past three years, the number of models on the US market has roughly doubled, including a crowd of more affordable models.





Source: Edmunds.com

### Charging is most convenient at home or work

#### Home charging options

Home charging equipment costs have gone down dramatically while chargers have gotten smarter, leading to lower costs for EV owners charging at home.

#### Vehicle to load

Most EVs, including the Ford F-150 Lightning, Hyundai IONIQ, Kia EV6 & EV9, can provide power to homes in times of emergency and to items at a campsite.

#### Workplace charging availability is growing

As offices resume in-person operations, workplaces are installing more EV charging (usually free) as a perk to their employees. Check with your organization if this is offered.





### **Rapid charging station expansion**

### Despite headwinds, chargers are being installed at breakneck pace.

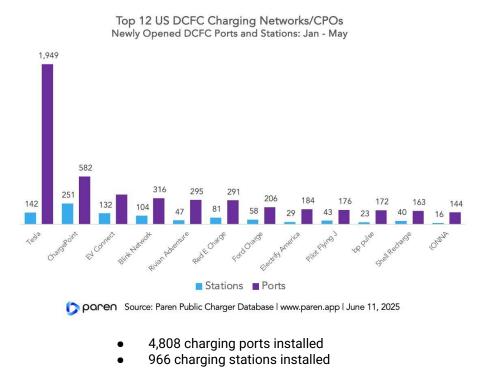
Almost 5,000 charging ports were installed between January and May of this year alone.

#### New EV charging designs with more ports.

Companies like IONNA and Pilot Flying J are installing brand new chargers across the United States with the goal of making public charging as easy as filling up your gas tank.

#### The industry is standardizing.

Almost all automakers have committed to installing the NACS (North American Charging Standard) port in their new EVs, and charging stations are including both CCS and NACS ports on new chargers.



### **Charging station variety**









### New technology and rising expectations

#### **EV-specific features**

Tank turns, vehicle-to-grid, zero-emission power supply for camping and overlanding, and rapidly advancing autonomous driving technology



### New technology and rising expectations

#### **EV-specific features**

Tank turns, vehicle-to-grid, zero-emission power supply for camping and overlanding, and rapidly advancing autonomous driving technology.

### **Faster charging**

10- to 15-minute sessions instead of 30-minute to hour-long charging sessions to regain hundreds of miles of range thanks to new battery technology.

### Longer driving range

300+ of real-world driving range is the new standard for inexpensive, performance, and luxury EVs.



### New technology and rising expectations

#### **Green tech**

Automakers like Polestar, BMW, Ford, and GM are using renewable energy sources, sustainable materials, and smart engineering to ensure maximum and efficient critical components and materials.

#### New automakers

New industry disruptors like Rivian, Lucid, and Scout Motors are challenging traditional automakers to rethink and innovate across the entire automotive industry.

#### Industrial and economic development

More EVs and batteries are built in America, bolstering our domestic workforce and introducing advanced new manufacturing facilities and higher-paying job opportunities.





## **Resources for EV Shoppers**

### **Electric Vehicle Support Program**



Monday – Friday Noon to 8 pm ET



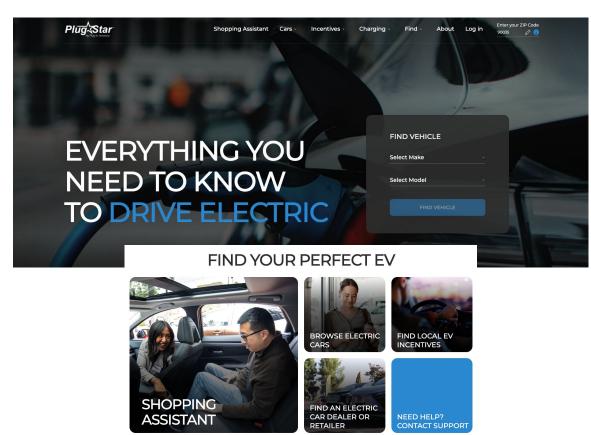
support@pluginamerica.org



1 (877) EV Help-1



### PlugStar.com Recently Refreshed





Plug In America's PlugStar.com site includes an EV shopping tool to help walk you through your EV purchase process, as well as information that includes EV models, incentives, home/public charging, electricians and local dealers.

### PlugStar.com EV Incentives

### INCENTIVES

#### RESULTS BASED ON YOUR ZIP CODE 90035

Depending on which vehicle you select, you could be eligible for federal, state and utility incentives. In many cases, incentives can be stacked and used together. Incentives can shift at any time, so please check with the issuing authority for the most up-to-date information.

 Image: State of the state

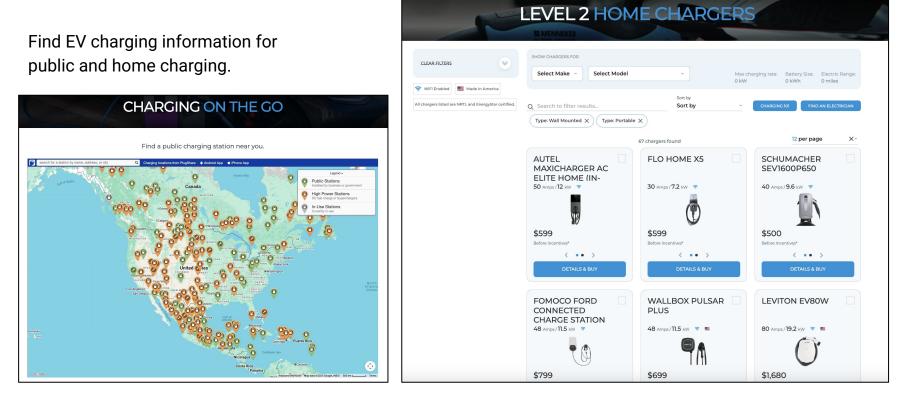
Federal, state, and local (including utility) incentives listed.

Ability to look at incentives by vehicle.

### PlugStar.com Browse and Compare Models

BROWSE ELECTRIC CARS All vehicle details shown are for 2025 models. <u>Click here</u> for information on used vehicles.					Browse and compare EV models by features, costs, and more.	
CLEAR FILTERS	Payment Type: Buy Outright X All Wheel Drive: No X Four Wheel Drive: No X Trailer Hitch: No X 414 vehicles found 12 per page X~				<b>Coming soon:</b> Compare cost of EVs to gas vehicles.	
PAYMENT BUDGET Buy Outright; ~ Minimum number of seats ~	NISSAN LEAF S PLUS	CHEVROLET EQUINOX	<b>FIAT 500E</b> натснваск	EV CHEAPER BY \$	\$22,403 OVER 3 YEARS VIEW Total Cost	
Do YOU NEED ALL-WHEEL DRIVE?           No         ~           Do YOU NEED 4-WHEEL DRIVE?           No         ~				\$75,000- 550,000- 8	\$43,986	
Kind of vehicle	\$28,140	\$32,495 Base MSRP before Federal Incentives	<b>\$32,500</b> Base MSRP	¥10 \$25,000-		
DO YOU NEED A TRAILER HITCH?	∲ 150 miles <			\$0⊣	LEAF S 2025 FORD 2024 MUSTANG DARK	
Daily commute and errands				ELE	CTRICITY GAS MAINTENANCE INSURANCE	

### PlugStar.com EV Charging



### PlugStar.com PlugStar Dealers

Search to filter results.. Q Only dealers registered with the IRS to provide federal EV tax credit 🕦 🕥 Only PlugStar certified dealers MAGNOLIA PARK VALLEY VILLAGE VERDUGO VIEJO Map Satellite MINI OF DOWNTOWN LOS 1.1 ANGELES **O**L os Angele SHERMAN OAKS REQUEST INFORMATION STUDIO CITY 2 FAGLE ROC San Vicente Mountain Park 9.62 miles Forest Lawn DETAILS The Greek Theatre 💌 GLASSELL PARK Franklin LAUREL CANYON ATWATER 6201 S Alameda Street Los Angeles, CA, 90001 Canvon Park. Westridge-Canvonback LOS FELIZ HOLLYWOOD Wilderness Park Mountains BEVERLY GLEN Recreation. (323) 277 4240 HAI TOWN Greystone Mansion MANDEVILLE https://www.minidtla.com/ & Gardens: The... West EAST HOLLYWOOD Hollywood SILVER LAKE The Getty EV CERTIFIED BY odger/Stadium 😂 HANCOCK PARK Beverly Hills CENTRALLA Linc KOREATOWN **Westfield Century City** HINATOWN BRENTWOOD Will Rogers MID-WILSHIRE Los Angeles State Historic Park CENTURY CITY PACIFIC WEST LOS SKID ROW PICO-UN ANGELES BOYLE HEIG ate Beach (2) NORTH HOLLYWOOD MID-CITY FASHION ΤΟΥΟΤΑ Bergan The Museun Jurassic Technology 0 REQUEST INFORMATION Culver City Los Angeles County Kenneth CRENSHAW Hahn State Santa Monica LEIMERT PARK 7.18 miles Recreation Area VERMONT OCEAN PAR MAR VISTA Vernon DETAILS Venice Beach 🐼 View 4606 Lankershim Blvd North Hollywood, CA, 91602 Park-Windsor epot 🙆 Venice Canal DEL RE Hills SOUTH LOS Marina (<u>818) 508 2900</u> Edward Vincent Huntington PLAYA VISTA Del Rey Park FLORENCE Jr. Park http://www.northhollywoodtoyota.com Florence-Graham <`> Inglewood Playa Del 🔗 Rey Beach WESTCHESTER EV CERTIFIED BY South Ga on Los ۲ Angeles Airport Superior Grocers WATTS ക Westmont Lennox Keyboard shortcuts Map data @2025 Google Terms Report a map error

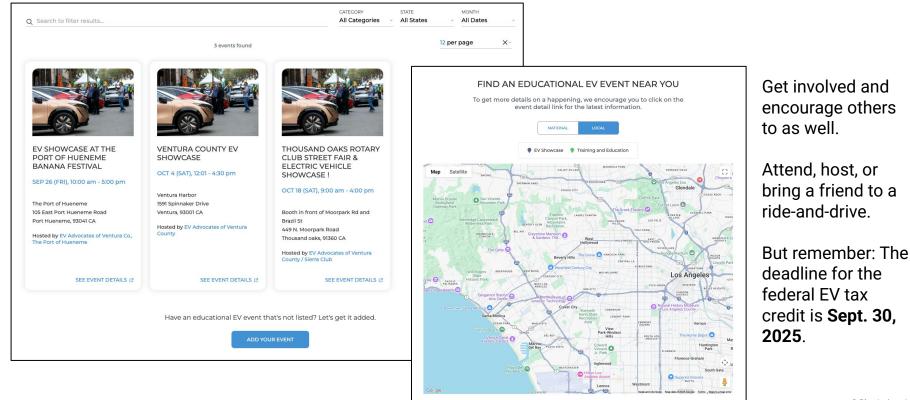
Search for dealers.

PlugStar Certified Dealers are featured at the top.

PlugStar Certified Dealers appear with a PlugStar badge.



### PlugStar.com Attend an EV Event and Get Involved



## Key Takeaways

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### Key Takeaways

- Tax Credits for EVs end Sept. 30, 2025.
- Tax Credits for Chargers end June 30, 2026.
- Now is a great time to buy or lease an EV.
- Don't forget that **tax credits can often be layered** with state, utility, and local incentives.
- EVs are here to stay.
- EVs will still be available. The federal incentives are going away.
- Check out <u>PlugInAmerica.org</u> for more information



### EV enthusiasts, help us spread the word!

- Follow us on social media
- Bring a friend to a ride-and-drive
- Give a neighbor a ride in your EV
- Carpool in your EV
- Tell folks about the tax credits and to act fast!



## It's EV Summer!

#### Plug In America website

#### https://pluginamerica.org/credit/

We keep our website up-to-date with the latest on the EV tax credits.

#### PlugStar.com



Our online EV shopping tool not only flags vehicles for federal tax credits, it will also identify eligible state and utility incentives.

**EV Support Program** Reach out to our EV Support Program to receive personalized assistance. **1-877-EV-HELP** 

support@pluginamerica.org





# **Questions?**