

# Important Information for Consumers Transferring Clean Vehicle Tax Credits

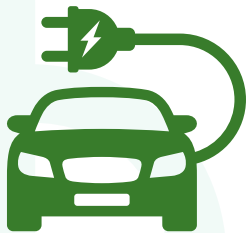


Starting January 1, 2024, buyers can choose to transfer their new or used clean vehicle credit to a registered dealer in exchange for an equivalent reduction in the purchase price of the vehicle.

The dealer must provide the buyer with certain required information and must also submit a ‘time of sale report’ containing buyer and vehicle information to IRS Energy Credits Online. Information and disclosures the dealer must provide includes:

## For all clean vehicles (new and used)

- The maximum amount of the credit allowable.
- The amount provided by the registered dealer to you as a condition of you making the transfer election (if applicable). This amount must equal the amount of the allowable credit. This amount may be provided in the form of cash, down payment or partial payment for the purchase of the vehicle.
- The relevant income limitations. Buyers are not eligible for the credit if their modified adjusted gross income exceeds certain thresholds.
  - **For new clean vehicles:**
    - Married filing jointly or filing as a qualifying widow(er) - \$300,000
    - Head of household - \$225,000
    - All other taxpayers - \$150,000.
  - **For used clean vehicles:**
    - Married filing jointly or filing as a qualifying widow(er) - \$150,000
    - Head of household - \$112,500
    - All other taxpayers - \$75,000.
- Potential repayment to the IRS: If a buyer transfers a credit but exceeds modified adjusted gross income limitations in both the year the vehicle is placed in service and the prior year, the buyer must repay to the IRS the full amount of any transferred credit when they file their tax return.
- A copy of the submitted time of sale report to IRS Energy Credits Online and confirmation the report was accepted. Buyers will need this report when filing their tax return. Buyers can rely on the information submitted to and accepted by the IRS regarding the vehicle’s eligibility.
- Any other incentive available for the purchase of such vehicle



## For new clean vehicles

- The manufacturer’s suggested retail price (MSRP) of the new clean vehicle.

## For used clean vehicles

- The model year of the vehicle is at least two years prior to the calendar year of sale.
- That the transfer is the first transfer of the vehicle since August 16, 2022, as shown by the vehicle history, after the sale to the person with whom the original use of the vehicle commenced. (Transfers to and between dealers are ignored.)
- The sale price of the eligible used clean vehicle, which must be \$25,000 or less before applying a down payment due to a transferred credit. The sale price includes any delivery charges; is determined after the application of any incentives (other than the used clean vehicle credit); and excludes separately stated taxes and fees required by State or local law.