

Appraiser Blog

2024 Used EV Tax Credit: Everything You Need To Know



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Imagine cruising down the sunny streets of Atlanta in your sleek, eco-friendly electric vehicle (EV). The breeze is light, the skies are clear, and your conscience is even clearer, knowing that your choice is helping the planet. But what makes this image even more appealing?

The opportunity to benefit financially from your environmentally conscious decision. In 2024, the Federal Tax Credit for used EVs has become a game-changer for many, offering up to \$4,000 in incentives. This is not just a step towards sustainable mobility but also a smart financial move for forward-thinking individuals.



Understanding the Federal Tax Credit

In a world where eco-friendly choices are increasingly rewarded, the 2024 Federal Tax Credit stands out. It applies to pre-owned all-electric, plug-in hybrid, and fuel cell electric vehicles purchased from January 1, 2023. Here's what you need to know:

- **Credit Amount:** 30% of the sale price, capped at \$4,000.
- **Nonrefundable Nature:** The credit can't exceed your tax liability and doesn't carry over to future tax years.

Eligibility Criteria:

- Purchase of a previously owned, qualified plug-in electric vehicle (PEV) or fuel cell vehicle (FCV).
- The purchaser should not be the original owner or claimed as a dependent on another person's tax return.
- The credit has not been claimed for another used clean vehicle within three years before the purchase.
- Income thresholds apply, varying based on filing status.

Vehicle Requirements:

- Produced by a qualified manufacturer (except for FCVs).
- Sale price below \$25,000.
- Model year at least two years prior to the purchase year.
- Vehicles must be primarily used in the United States and have a gross weight under 14,000 pounds.
- Plug-in electric vehicles (PEVs) need a minimum battery capacity of 7 kilowatt hours.

Sale Qualifications:

- Purchased from a licensed dealer.
- Compliance with specific dealer reporting requirements to the buyer and the IRS

The Unexplored Angles of the 2024 Used EV Tax Credit

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While many sources cover the basics of the 2024 Used EV Tax Credit, few delve into the less discussed but crucial aspects:

- **Economic Impact:** This credit is not only a boon for environmentally conscious consumers but also stimulates the second-hand EV market. It encourages the turnover of vehicles, thereby accelerating the transition to a greener vehicle fleet nationwide.
- **Dealer Compliance:** The role of dealers is pivotal. Their registration with the IRS Energy Credits Online and adherence to reporting requirements ensure the smooth processing of the credit. This underscores the importance of buying from reputable dealers.
- **Income Threshold Strategy:** Taxpayers can strategically plan their purchase based on their modified AGI of either the current year or the previous year. This flexibility allows for maximizing the credit benefits.
- **International Impact:** The requirement that the vehicle must be primarily used in the United States subtly supports domestic EV usage, aligning with broader goals of reducing carbon emissions nationally.

List of Used Plug-in Electric and Fuel Cell Vehicles That Qualify for the Federal Tax Credit			
Make	Model	Model Year	Vehicle Type
Audi	A3 e-tron	2016–2018	Plug-in Hybrid
Audi	A3 e-tron ultra	2016	Plug-in Hybrid
Audi	A7 TFSI e Quattro	2021–2022	Plug-in Hybrid
Audi	A8 L 60 TFSI e Quattro	2021	Plug-in Hybrid
Audi	A8L PHEV	2020	Plug-in Hybrid
Audi	e-tron	2019, 2021–2022	Electric Vehicle
Audi	e-tron Sportback	2020–2022	Plug-in Hybrid
Audi	Q5 PHEV	2020	Plug-in Hybrid
Audi	Q5 TFSI e Quattro	2021–2022	Plug-in Hybrid

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Make	Model	Model Year	Vehicle Type
Bentley	Bentayga Hybrid SUV	2020-2021	Plug-in Hybrid
BMW	330e	2016-2018, 2021-2022	Plug-in Hybrid
BMW	330e xDrive	2021-2022	Plug-in Hybrid
BMW	530e	2018-2022	Plug-in Hybrid
BMW	530e xDrive	2018-2022	Plug-in Hybrid
BMW	740e	2017	Plug-in Hybrid
BMW	740e xDrive	2018-2019	Plug-in Hybrid
BMW	745e xDrive	2020-2022	Plug-in Hybrid
BMW	i3 (60 Ah) Sedan	2017	Electric Vehicle
BMW	i3 Sedan	2014-2021	Electric Vehicle
BMW	i3 Sedan with Range Extender	2014-2021	Plug-in Hybrid
BMW	i3s Sedan	2018-2021	Electric Vehicle
BMW	i3s Sedan with Range Extender	2018-2021	Plug-in Hybrid
BMW	i4 Gran Coupe	2022	Electric Vehicle
BMW	i8	2014-2017	Plug-in Hybrid
BMW	i8 Coupe	2019-2020	Plug-in Hybrid
BMW	i8 Roadster	2019-2020	Plug-in Hybrid

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Make	Model	Model Year	Vehicle Type
BMW	iX xDrive50	2022	Electric Vehicle
BMW	X3 xDrive30e	2020-2021	Plug-in Hybrid
BMW	X5 xDrive40e	2016-2018	Plug-in Hybrid
BMW	X5 xDrive45e	2021-2022	Plug-in Hybrid
Cadillac	ELR	2014-2016	Plug-in Hybrid
Chevrolet	Bolt	2017-2021	Electric Vehicle
Chevrolet	Bolt EV	2022	Electric Vehicle
Chevrolet	Bolt EV EUV	2022	Electric Vehicle
Chevrolet	Spark EV	2014-2016	Electric Vehicle
Chevrolet	Volt	2011-2019	Plug-in Hybrid
Chrysler	Pacifica PHEV	2017-2022	Plug-in Hybrid
Fiat	500e	2013-2019	Electric Vehicle
Ford	C-Max Energi	2013-2017	Plug-in Hybrid
Ford	E-Transit	2022	Electric Vehicle
Ford	Escape Plug-in Hybrid	2020-2022	Plug-in Hybrid
Ford	F-150 Lightning (Standard, Extended)	2022	Electric Vehicle
Ford	Focus Electric	2012-2018	Electric Vehicle

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Make	Model	Model Year	Vehicle Type
Ford	Fusion Energi	2013-2020	Plug-in Hybrid
Ford	Mustang Mach-E	2021-2022	Electric Vehicle
Genesis	G80	2022	Electric Vehicle
Honda	Clarity Plug-in Hybrid	2018-2021	Plug-in Hybrid
Hyundai	Ioniq 5	2022	Electric Vehicle
Hyundai	Ioniq Electric Battery Vehicle	2017-2021	Electric Vehicle
Hyundai	Ioniq Plug-In Hybrid Electric Vehicle	2018-2022	Plug-in Hybrid
Hyundai	Kona Electric Vehicle	2019-2022	Electric Vehicle
Hyundai	Nexo Blue Fuel Cell Vehicle	2019-2022	Plug-in Hybrid
Hyundai	Nexo Fuel Cell Vehicle	2019-2022	Fuel Cell Vehicle
Hyundai	Santa Fe Plug-In Hybrid	2022	Fuel Cell Vehicle
Hyundai	Sonata Plug-In Hybrid Vehicle	2016-2019	Plug-in Hybrid
Hyundai	Tucson Plug-In Hybrid	2022	Plug-in Hybrid
Jeep	Grand Cherokee 4xe	2022	Plug-in Hybrid
Jeep	Wrangler 4xe	2021-2022	Plug-in Hybrid
Kia	EV6	2022	Electric Vehicle
Kia	Niro EV	2019-2022	Electric Vehicle

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Make	Model	Model Year	Vehicle Type
Kia	Niro PHEV	2018-2022	Plug-in Hybrid
Kia	Optima PHEV	2017-2020	Plug-in Hybrid
Kia	Sorento PHEV	2022	Plug-in Hybrid
Kia	Soul EV	2015-2020	Electric Vehicle
Lexus	NX Plug-In Hybrid	2022	Plug-in Hybrid
Lincoln	Aviator Grand Touring	2020-2022	Plug-in Hybrid
Lincoln	Corsair Grand Touring	2021-2022	Plug-in Hybrid
Lucid	Air (All Models)	2022	Electric Vehicle
Mercedes-Benz	B-Class EV (B250e)	2014-2017	Electric Vehicle
Mercedes-Benz	EQB SUV (All Models)	2022	Electric Vehicle
Mercedes-Benz	EQS Sedan (All Models)	2022	Electric Vehicle
Mercedes-Benz	GLC350e 4matic	2018-2019	Plug-in Hybrid
Mercedes-Benz	GLC350e 4matic EQ	2020	Plug-in Hybrid
Mercedes-Benz	GLE550e 4matic PHEV	2016-2018	Plug-in Hybrid
Mercedes-Benz	S550e PHEV	2015-2017	Plug-in Hybrid
Mercedes-Benz	S560e EQ PHEV	2020	Plug-in Hybrid
MINI	Cooper S E Countryman ALL4	2018-2022	Plug-in Hybrid
MINI	Cooper S E Hardtop	2020-2022	Electric Vehicle

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Make	Model	Model Year	Vehicle Type
Mitsubishi	i-MiEV	2012-2014, 2016-2017	Electric Vehicle
Mitsubishi	Outlander PHEV	2018-2022	Plug-in Hybrid
Nissan	Leaf (All Models)	2011-2022	Electric Vehicle
Polestar	Polestar 1	2020-2021	Plug-in Hybrid
Polestar	Polestar 2	2021-2022	Plug-in Hybrid
Porsche	Cayenne E-Hybrid (All models)	2015-2021	Plug-in Hybrid
Porsche	Cayenne E-Hybrid (All Models)	2022	Plug-in Hybrid
Porsche	Panamera E-Hybrid (All models)	2014-2016, 2018-2021	Plug-in Hybrid
Porsche	Panamera E-Hybrid (All Models)	2022	Plug-in Hybrid
Porsche	Taycan (All EV Models)	2020-2021	Electric Vehicle
Porsche	Taycan (All Models)	2022	Electric Vehicle
Rivian	EDV 700	2022	Electric Vehicle
Rivian	R1S	2022	Electric Vehicle
Rivian	R1T	2022	Electric Vehicle
smart USA	Cabrio EV	2013-2015, 2017-2018	Electric Vehicle
smart USA	Coupe EV	2013-2018	Electric Vehicle

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Make	Model	Model Year	Vehicle Type
smart USA	EQ Fortwo Cabrio	2019	Electric Vehicle
smart USA	EQ Fortwo Coupe	2019	Electric Vehicle
Subaru	Crosstrek Hybrid	2022	Plug-in Hybrid
Subaru	Crosstrek Plug-In Hybrid	2019-2021	Plug-in Hybrid
Tesla	Model 3	2017-2022	Electric Vehicle
Tesla	Model S	2012-2021	Electric Vehicle
Tesla	Model X	2016-2021	Electric Vehicle
Tesla	Model Y	2020-2022	Electric Vehicle
Tesla	Roadster	2009-2011	Electric Vehicle
Toyota	Mirai	2016-2022	Fuel Cell Vehicle
Toyota	Prius Prime Plug-In Hybrid	2017-2022	Plug-in Hybrid
Toyota	RAV4 EV	2012-2014	Electric Vehicle
Toyota	RAV4 Prime Plug-In Hybrid	2021-2022	Plug-in Hybrid
Volkswagen	e-Golf	2015-2019	Electric Vehicle
Volkswagen	ID.4 (All Models)	2021-2022	Electric Vehicle
Volvo	C40 Recharge	2022	Electric Vehicle
Volvo	S60	2019-2022	Plug-in Hybrid

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Make	Model	Model Year	Vehicle Type
Volvo	S90	2018-2022	Plug-in Hybrid
Volvo	V60	2020-2022	Plug-in Hybrid
Volvo	XC40 Recharge	2021-2022	Electric Vehicle
Volvo	XC60	2018-2022	Plug-in Hybrid
Volvo	XC90	2016-2022	Plug-in Hybrid

Conclusion

The 2024 Used EV Tax Credit is much more than a simple money-saving opportunity. It marks a significant shift towards more sustainable living choices. This incentive makes electric vehicles more affordable for more people, underlining the power of personal decisions in contributing to environmental protection. As we adapt to these changes, it's worth pondering: what other creative measures could speed up our move toward a cleaner and more environmentally friendly future?

Click here to learn more about the [***Federal Tax Credits for Pre-owned Plug-in Electric and Fuel Cell Vehicles.***](#)