The Outlook for Electric Vehicle Sales Under the Inflation Reduction Act

IMPLICATIONS FOR AUTO FINANCING

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NADA
EV Tax Credits

**SECTION 30D**
New Clean Vehicle Credit

**SECTION 45W**
Commercial Clean Vehicle Credit

**SECTION 25E**
Previously-Owned Clean Vehicle Credit

**2024 ISSUES:**
Cash-on-Hood Reimbursement
SECTION 30D: New Clean Vehicle Credit
(up to $7,500)

Vehicle
Max Credit Look-Up
MSRP

Consumer
MAGI
Tax Liability
Not For Resale

Dealer
Taxpayer Sales Report
SECTION 45W: Commercial Clean Vehicle Credit

Light-Duty (up to $7,500)
- Commercial/Tax Exempt Buyer

Heavy-Duty (up to $40,000)
- Dealer
- Lessor
BEV vs. Non-BEV Lease Penetration

Source: J.D. Power PIN
Non-BEV includes gasoline, diesel, hybrid and plug-in hybrid powertrains
SECTION 25E: Previously-Owned Clean Vehicle Credit
(up to $4,000)

THE SALE MUST BE THE FIRST OF THE EV TO A QUALIFIED BUYER SINCE 8/16/22 WHO WAS NOT THE ORIGINAL OWNER. A QUALIFIED BUYER IS AN INDIVIDUAL WHO:

- Be to a Qualified Buyer with a MAGI below the applicable cap
- Be for $25,000 or less, by a licensed dealer, who provides the buyer with credit report form
2024 ISSUES:

Cash-on-Hood

Reimbursement
Electric Vehicles Sales: AUTO FINANCING CONSIDERATIONS
Questions