Do you already own an EV?

NO → Are you looking to buy a brand new EV?

YES → If you bought the vehicle in 2022 or before, you can file an amended return (no later than 3 years after the original filing deadline) to claim the credit if the vehicle satifies the following requirements:

Does the vehicle...
-have an external charging source?
-have a gross vehicle weight rating of less than 14,000 pounds?
-come from a manufacturer that hasn't sold more than 200,000 EVs in the U.S.?

YES → Your purchase qualifies you for the following federal Clean Vehicle Tax Credit:
-$2,917 for a vehicle with a battery capacity of at least 5 kilowatt hours (kWh)
-Plus $417 for each kWh of capacity over 5 kWh
Up to a maximum credit of $7,500.
To claim, you must file form 8936 with your amended return.

NO → Even if the manufacturer has sold more than 200,00 vehicles, you may still be able to recieve a partial credit depending on the timing of your purchase and tax filing. Check the above link for specifics.

IRS — Manufacturers and Models for New Qualified Clean Vehicles Purchased in 2022 and Before

Are you looking to buy a brand new EV?

NO → Are you looking to buy a used EV?

NO → If you are interested in leasing an EV, you may still be able to benefit from the federal tax credit.

YES → Is or was your income below $150,000 (married filing jointly), $112,500 (heads of households), or $75,000 (all other filers) this year or last year?

YES → Is the vehicle...
-bought directly from a registered dealer for a sales price of $25,000 or less?
-a model at least 2 years old at the time of purchase?
-using a motor with a battery capacity of at least 7 kilowatt hours?
-less than 14,000 pounds?

NO → The vehicle is not eligible for the pre-owned clean vehicle tax credit.

YES → As long as the vehicle has not already been resold since August 17, 2022, your purchase is eligible for the pre-owned clean vehicle tax credit. **Make sure your dealer reports the neccessary information to the IRS and you file Form 8936 in order to recieve the credit.** The value of the credit is equal to 30% of the vehicle's sales price up to a maximum of $4,000.

NO → You do not qualify for the federal tax credit.

YES → Is or was your income below $300,000 (married filing jointly), $225,000 (heads of households), or $150,000 (all other filers) this year or last year?

YES → Does the vehicle...
-undergo final assembly in North America?
-have a battery capacity of at least 7 kilowatt hours?
-have a gross vehicle weight rating of less than 14,000 pounds?
-have a manufacturer suggested retail price (MSRP) of less than $80,000 for vans, sport utility vehicles, and pickup trucks and $55,000 for all other vehicles?

YES → Was the vehicle placed in service between January 1, 2023 and April 16?

YES → Your purchase qualifies you for the following federal Clean Vehicle Tax Credit:
-$3,751 plus $417 for each kWh of capacity over 7 kWh
Up to a maximum credit of $7,500.
To claim, you must file form 8936 with your tax return and the seller must also report certain information to the IRS.

NO → If the vehicle meets both the critical mineral and battery component requirements, it is eligible for a $7,500 credit.
If the vehicle meets only one of the two, it is eligible for a $3,750 credit.
If it meets neither, no credit can be applied.
To claim, you must file form 8936 with your tax return and the seller must also report certain information to the IRS.

NO → The vehicle is not eligible for the new clean vehicle tax credit.

NO → You do not qualify for the federal tax credit. You're not completely out of luck - some states offer tax credits. Check the resource below for state specific information.

Tax Treatment of Electric Vehicles — How Are Electric Vehicles Taxed in Your State? Tax Foundation

NO, BUT I OWN A BUSINESS → Does the vehicle in question have a gross vehicle weight rating of less than 14,000 pounds?

YES → Does the vehicle have a battery capacity of at least 7 kilowatt hours or a qualifying fuel cell motor?

YES → The maximum credit value is $7,500.

NO → You do not qualify for the commercial clean vehicle tax credit.

NO → Does the vehicle have a battery capacity of at least 15 kilowatt hours or a qualifying fuel cell motor?

YES → The maximum credit value is $40,000.

IRS — Commercial Clean Vehicle Credit

The value of the credit is equal to the lesser of 15% of the buyer's basis in the vehicle (30% if the vehicle uses no gasoline or diesel) or the incremental cost of the vehicle.

The IRS is still working on a form for this credit. Stay on top of updates from the above link and maintain all purchase and vehicle records.

SOURCES

irs.gov
taxfoundation.org
Made with Lucidchart