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## Clean Energy Tax Credits in 2023 And Beyond: FAQ

### If I buy an Electric Vehicle (EV) in 2023, will I get a tax credit?

EVs purchased new in 2023 may be eligible for a Federal tax credit. The vehicle manufacturer/dealer should be able to tell you if the car you're considering qualifies. **There are credit limitations related to where car parts are manufactured and assembled** which may reduce the credit.

You may qualify for credits on more than one new EV. You may qualify for EVs used in your business.

If you purchased a *Used* EV that's at least 2 years old, you may also qualify for a credit.

### What other restrictions are there on the EV credit?

To qualify for the New EV credit, your Adjusted Gross Income (AGI) must be **less than \$300,000** if filing jointly (**\$150,000 if Single**). For **Used EVs, AGI must be less than \$150,000 (MFJ) or \$75,000 (Single)**.

Vehicles with MSRP's more than \$55,000 for cars or \$80,000 for trucks will not qualify for the New EV credit. Sales prices of more than \$25,000 for a used car or truck will not qualify.

The credit is non-refundable and does not carryforward to future years.

### How much is the credit for solar panels?

Your Federal tax credit will generally be 30% of the hardware and installation costs through 2032.

### What other energy-saving property qualifies for a credit?

If it meets the energy standards, qualifying property includes:

- Solar water heaters
- Heat pumps
- Battery storage technology
- Biomass fuel property (including wood stoves)
- Insulation
- Exterior doors
- Windows & skylights
- HVACs, water heaters, furnaces, boilers

### How much is the credit for non-solar-panel energy-saving property?

It varies, but between **\$150-\$2,000** per year. If you are considering multiple improvements, it may be worth spreading them out across two or more calendar years to maximize the credits.

These credits are nonrefundable and do not carryover to future years' income.

### Can I put solar or install energy-efficient property on a vacation or second home?

Depending on the property or improvement, you may be able to claim a credit on more than just your principal residence.

Solar panels installed on a second home will qualify for the credit.



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**How can I know if the property meets the proper energy standards?**

The qualifications vary for each type of property. The manufacturer, if qualifying, will be able to supply you with a certificate showing that it meets the **updated 2023 standards**.

The Energy Star website will also have a list of qualifying property:

[https://www.energystar.gov/about/federal tax credits/non business energy property tax cr edits](https://www.energystar.gov/about/federal_tax_credits/non_business_energy_property_tax_credits)