

Practical Guide to the Inflation Reduction Act



Electric Vehicles (EVs)

When looking to purchase a vehicle, be sure to consider an EV both to save you money and to help save the planet. Of the electrification projects discussed in [Rewiring America](#) and funded by the Inflation Reduction Act, replacing a fossil fuel vehicle with an electric vehicle has the most economic and environmental impact. A household can expect to save approximately \$1,100 per year and reduce carbon dioxide emissions by 5 tons per year.

Purchasing: When making your purchasing decision, remember to factor in: available range per charge (up to 300+ miles), the charging speed (50 KW to 350 KW), the lower cost of maintenance and operation throughout the life of the car, tax credits available for new and used EVs, and your budget. Leasing an electric vehicle can also be a good option since leasing companies receive the \$7,500 tax credit under a less restrictive program that allows more vehicles to qualify and allows them to pass some or all of those savings on to you via lower monthly payments. As discussed in [Consumer Reports](#), a lease can also buffer you from rapid changes in technology, charging types and pricing that accompanies this still developing industry.

Tax Credits: Starting in 2024 [tax credits](#) up to \$7,500 for new EVs, plug-in hybrids and Battery Electric Vehicles, \$4,000 for used vehicles and \$1,000 for chargers are provided at the time of purchase, converting the tax credit into an upfront discount. The availability of the credit depends on several factors, including the vehicle's Manufacturer's Suggested Retail Price (MSRP), its final assembly location, battery and critical minerals sourcing and your adjusted gross income (AGI). The rules for these requirements update each year. Make sure that your dealer is aware of the tax credit program and can confirm that the vehicle you intend to purchase qualifies, since they are required to submit a "time-of-sale" report for you to receive the credit. Other helpful resources include

- [IRS publication 5900](#) "Important Information for Consumers, Transferring Clean Vehicle Tax Credits"
- [Frequently asked questions](#) about the New, Previously-Owned and Qualified Commercial Clean Vehicles Credit. Including a list of information your Dealer must provide.
- [Federal government website](#) to lookup vehicles that currently qualify.

Series Topics

[Series Introduction](#)

[Inflation Reduction Act \(IRA\) and Bipartisan Infrastructure Law \(BIL\) Summary](#)

[Rewire America IRA Calculator](#)

[Energy Audits and Energy Efficiency](#)

[Electric Vehicles](#)

[Solar Panels](#)

[Heating, Ventilation and Air Conditioning Heat Pumps](#)

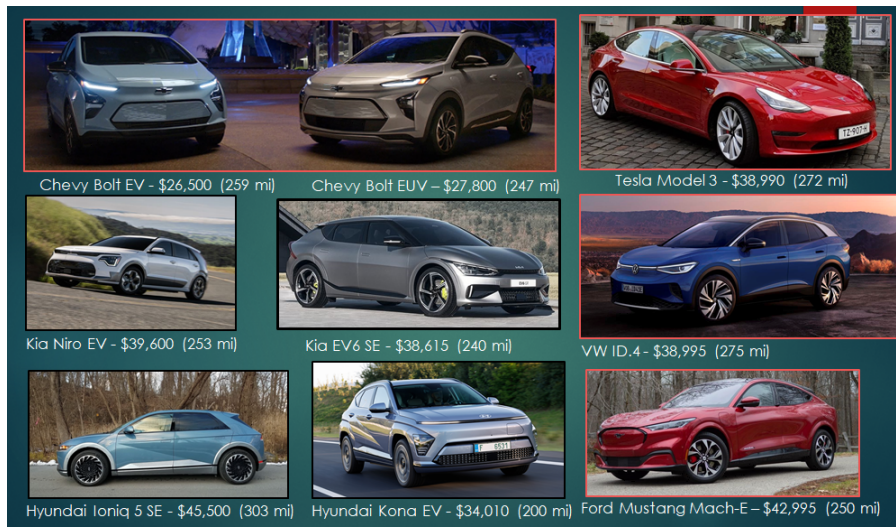
[Heat Pump Water Heaters](#)

[Electric Cook Stove](#)

Heat Pump Clothes Dryers

Below are a few of the many affordable new and used electric vehicles that are available.

New:



Charging: How you will charge your vehicle is also an important consideration. What type of charger is included with your vehicle? Will the manufacturer pay to have your charger installed? Will you primarily be charging at your home, at your place of employment or at a public charging station?

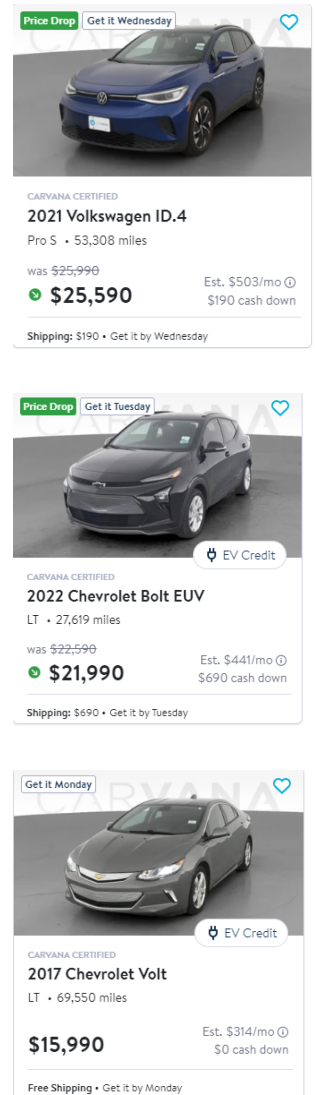
Home chargers can run on standard 110 V lines which adds approximately 4 miles of range per hour. This is a slow charge, but it's often good enough for people who are just driving around town and not fully draining the battery. If you have a longer daily commute, you may want to consider upgrading to a 240 V charger that will add 24 miles of range per hour.

More and more public charging stations are being [added](#) but the infrastructure still has a long way to go before you can start out on a long-distance road trip without a recharging plan. Use apps like [PlugShare](#) or [ChargePoint](#) to find charging stations that are currently available, have the right plug style and have other amenities such as restrooms or dining. You will find a variety of payment methods, some chargers take credit cards, others require you to download an app and create an account to process payment online. A few charging stations, like those at some dealerships, can be used for free but may not be available after business hours.

If you've made the leap to an EV car and are able to, consider taking the next step of installing solar panels on your home or signing up for community solar for a true "Driving on Sunshine" experience. (More on this to come in future fact sheets.)

Bonus Content: To prepare this EV fact sheet we reached out to several Ohioans who own electric vehicles to ask them about their personal EV stories. Their responses can be viewed [here](#). We've also consolidated an in-depth [Frequently Asked Questions](#) (FAQ) document debunking some popular EV misconceptions.

Used:



For questions, comments, or to provide testimonials, good resources etc. contact: ohio@thirdact.org

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