



AUTO DEALERSHIP EV CHARGING SOLUTIONS

While much of the attention on electric vehicle tax credits is placed on the consumer side for individuals purchasing electric vehicles, dealerships may be eligible to utilize tax credits to help offset the costs of on-site charging equipment.

Optimus Energy Solutions has worked with qualified businesses across Florida to utilize the 30C Tax Credit, saving those auto dealers tens of thousands of dollars. It's imperative that if a dealership is looking to add charging equipment – as nearly all are – it reviews the tax code to check for eligibility.

What is the 30C Tax Credit?

The 30C Tax Credit was established in 2005 primarily to provide relief for large-scale non-gas fuel depots, referred to in the tax credit as an "alternative fuel vehicle refueling property."

Qualified alternative fuels focus on things like natural gas, propane, hydrogen, E85 and electric vehicle charging equipment.

Outside of the land for the charger, almost everything spent on the charging equipment is eligible for a 30 percent tax credit, if the business meets prevailing wage and apprenticeship requirements.

Yes, if you spend \$100,000 on charging equipment, you will receive a \$30,000 tax credit – not a deduction – on the dealership's federal tax burden.

Who is eligible?

During the passage of the Inflation Reduction Act, the federal government reinstated the tax credit that had expired in 2021. This means that most charging equipment for all types of electric vehicles – including motorcycles – installed after 2023 is eligible for the tax credit.

However, the Inflation Reduction Act added some restrictions on eligibility. Specifically, they tied the chargers into census tracts deemed low-income or non-urban. We could probably write an entire piece on what constitutes these two tracts, but somewhat surprisingly, the federal government makes it easy to determine if you are eligible.

At this Department of Energy website, you can zoom in to find your dealership and check to see if you are eligible. You'll find the majority of Florida is eligible for this tax credit, although some areas end eligibility at the end of 2024.

Receiving the tax credit

Here's perhaps the best part of this tax credit – it's not complicated. In fact, it is one form that has just eight lines for the business credit. There is virtually no reason for anyone not to take advantage of this tax credit for their electric vehicle charging equipment.

Of course, the only way to receive the tax credit is to start the process of adding electric vehicle chargers to the property. Many brands are requiring the equipment to be added, but with Florida trailing only California in EV adoption, it's become a necessary amenity for auto dealers to serve their clients.

Optimus Energy Solutions is headquartered in the Orlando area and provides charging infrastructure to businesses, governments and organizations throughout Florida, Georgia, Alabama and South Carolina. By reaching out to us today, you'll be able to find out the exact costs of your needed equipment and your tax credit.

