EV CHARGING STATION CREDIT

ALTERNATIVE FUEL VEHICLE REFUELING PROPERTY CREDIT

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"Per Item" Savings Make the Credit More Valuable Than Ever

WHAT is the EV Charging Station Credit?

- Federal incentive incentivizing the installation of electric vehicle chargers or property that stores/dispenses clean burning fuels
- Dollar-for-dollar Credit that directly reduces tax liability by up to 30%
- Cap of $100,000 per "item" means that one location may claim multiple iterations of the Credit
- Credit applies to eligible property placed-in-service between 1/1/2023-06/30/2026

WHO May Claim the EV Charging Station Credit?

- Generally claimed by taxpayer that places Qualified Refueling Property into service, commonly:
  - Multifamily owners and developers
  - Owners of private or public electric vehicle charging stations
- Tax-exempt entities may benefit from the Credit through elective pay

WHAT Qualifies as Qualified Refueling Property?

- Used to store/dispense clean burning fuel OR to recharge electric vehicles
- Located in an eligible low-income census tract or a census tract in a non-urban area
- Subject to depreciation
- Original use began with the taxpayer
- Placed-in-service during the tax year in which Credit is being claimed

HOW to Claim the EV Charging Station Credit?

- Eligible costs include equipment and installation of the refueling property and "functionally interdependent components" (pedestals, concrete pads, electrical panel upgrades)
- Cost segregation study is the best way to identify and quantify eligible assets – enjoy confidence in a well-substantiated Credit while benefiting from accelerated and bonus depreciation
- Base credit amount is 6% of the cost of the Qualified Refueling Property, with a 5-fold bonus if Prevailing Wage and Apprenticeship Requirements are satisfied

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WHY Claim the EV Charging Station?

- Encourage widespread adoption of EVs, contributing to societal shift towards sustainable energy practices
- Offset the costs of installing refueling property while attracting EV owners to your business/ residential location
- Recent shift from "per location" to "per item" makes Credit even more rewarding
  - Can receive up to $100K Credit for each single item of property subject to depreciation (each charging port, each fuel dispenser, etc.)

EXAMPLE: NEW APARTMENT BUILDING

- City code mandates 1 EV charging station for every 3 units
- 30 total charging stations installed, cost of $240,000
- Credit Amount: $72,000 plus bonus depreciation
- Easy add-on to a cost segregation study

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