

## 2010 Green Tax Incentives: Vehicles

Below are **federal and Oregon** tax incentives available in **2010** for the **individual** tax filer. For more information about Perkins & Co's Green Energy Tax Services, or for the Frequently Asked Questions to this worksheet, please visit our website: <http://www.perkinsaccounting.com/green-energy-tax-services.html>

### What will you do?

#### Build it greener

##### Alternative fuel infrastructure (including vehicle refueling)

Install an electric vehicle charging station or means of storing or dispensing alternative vehicle fuel (natural gas, liquefied petroleum gases, electricity, 85% or more blend of methanol, ethanol or other alcohol) on your business premises. Personal use portion (if used for vehicles not 100% business use) also eligible for credit.

##### **50% of cost (capped at \$2,000) of personal use portion of refueling property**

<http://www.irs.gov/newsroom/article/0,,id=206871,00.html>

Install means of storing or dispensing hydrogen vehicle fuel on your business premises. Personal use portion (if used for vehicles not 100% business use) also eligible for credit.

##### **30% of cost (capped at \$1,000) of personal use portion of refueling property**

<http://www.irs.gov/newsroom/article/0,,id=206871,00.html>

#### Buy a vehicle

##### Alternative Fuel (including plug-in electric)

Buy a new or repowered qualifying vehicle fueled by compressed natural gas, liquefied natural gas, liquefied petroleum gas, hydrogen or any 85% or higher methanol blend.

##### **\$2,500 - \$32,000 depending on model**

<http://www.irs.gov/businesses/article/0,,id=175456,00.html>

Buy a new alternative fuel vehicle that is NOT a gasoline-electric hybrid (and/or charging/fueling system) and license it in Oregon.

##### **Alternative fuels excluding hybrid gas-electric vehicles: 25% of incremental cost to get alternative fuel vehicle vs. conventional fuel vehicle (capped at \$750), 25% of fueling/charging system (capped at \$750)**

<http://www.oregon.gov/ENERGY/TRANS/hybridcr.shtml>

Buy a new qualified advanced lean burn technology vehicle.

##### **\$400 - \$3,400**

<http://www.irs.gov/businesses/corporations/article/0,,id=203912,00.html>

Buy a new qualified plug-in electric vehicle (must be low speed vehicle and/or vehicles with 2 or 3 wheels). Vehicle must be on IRS list of approved models.

##### **10% of vehicle cost up to \$2,500**

<http://www.irs.gov/businesses/article/0,,id=214841,00.html>, <http://www.irs.gov/pub/irs-pdf/f8834.pdf>

## 2010 Green Tax Incentives: Vehicles

Buy a new qualified plug-in electric drive vehicle (does not include low speed vehicles). Vehicle must be on IRS list of approved models.

**\$2,500 - \$7,500, depending on battery capacity**

<http://www.irs.gov/businesses/article/0,,id=214841,00.html>, <http://www.irs.gov/pub/irs-pdf/f8834.pdf>

### Fuel cells

Buy a new qualified fuel cell motor vehicle with a gross vehicle weight of 8,500 pounds or less

**\$4,000 - \$8,000**

<http://www.irs.gov/businesses/corporations/article/0,,id=203908,00.html>

Buy a new qualified fuel cell motor vehicle with a gross vehicle weight of more than 8,500 pounds

**\$10,000 - \$44,000**

<http://www.irs.gov/businesses/corporations/article/0,,id=203908,00.html>

### Hybrid electric

Buy a new qualified hybrid electric vehicle up to a year after the manufacturer's 60,000th hybrid unit sale. (Honda, Lexus and Toyota models no longer qualify. Ford and Mercury models will be ineligible starting April 1, 2010.) Credit is allowed against AMT.

**\$400 - \$3,400 depending on vehicle model and purchase date**

<http://www.irs.gov/newsroom/article/0,,id=157632,00.html>

## Increase your energy efficiency

### Convert your vehicle to run on alternative fuel (including electricity)

Convert your Oregon licensed vehicle to run on something other than 100% conventional gas or 100% conventional diesel, and set up a system for keeping it fueled.

**25% of conversion costs (capped at \$750), 25% of fueling/charging system (capped at \$750)**

<http://www.oregon.gov/ENERGY/TRANS/hybridcr.shtml>

Buy a kit to convert your existing vehicle to a plug-in electric vehicle.

**10% of conversion kit cost (capped at \$4,000)**

<http://www.irs.gov/formspubs/article/0,,id=210607,00.html>

### Disclaimer:

*This document is a summary and is not intended as tax or legal advice. You should consult with your tax advisor to obtain specific advice with respect to your fact pattern. Based on the most recent "best practice" standards for tax advisors issued by the Treasury Department, commonly referred to as Circular 230, we wish to advise you that this document has not been prepared to be used, and cannot be used, to provide assurance that penalties which may be assessed by the IRS or other taxing authority (including specifically section 6662 understatement penalties) will not be upheld.*