

# IRS News Release

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## Seven Honda Vehicles Certified for New Energy Tax Credit

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WASHINGTON — The Internal Revenue Service has acknowledged the certification by American Honda Motor Company, Inc. that several of its vehicles meet the requirements of the Alternative Motor Vehicle Credit as a qualified hybrid motor vehicle. The tax credit for hybrid vehicles applies to vehicles purchased on or after Jan. 1, 2006, and could be as much as \$3,400 for those who purchase the most fuel-efficient vehicles.

The hybrid vehicle certifications recently acknowledged by the IRS and their credit amounts are:

- Honda Civic Hybrid CVT Model Year 2006 \$2,100.00
- Honda Civic Hybrid (SULEV) MT Model Year 2005 \$1,700.00
- Honda Civic Hybrid (SULEV) CVT Model Year 2005 \$1,700.00
- Honda Insight CVT Model Year 2005 \$1,450.00
- Honda Insight CVT Model Year 2006 \$1,450.00
- Honda Accord Hybrid AT Model Year 2006 \$1,300.00\*
- Honda Accord Hybrid AT Model Year 2005 \$650.00

\*2006 Honda Accord Hybrid AT without updated control calibration qualifies for a credit amount of \$650.

Starting in 2006, the tax credit replaces the tax deduction of \$2,000, which was previously allowed for taxpayers who purchased a new hybrid vehicle before December 31, 2005. The tax credit requires a different certification. Many currently available hybrid vehicles may qualify for this new tax credit.

Consumers seeking the credit may want to buy early since the full credit is only available for a limited time. Taxpayers may claim the full amount of the allowable credit up to the end of the first calendar quarter after the quarter in which the manufacturer records its sale of the 60,000<sup>th</sup> vehicle. For the second and third calendar quarters after the quarter in which the 60,000<sup>th</sup> vehicle is sold, taxpayers may claim 50 percent of the credit. For the fourth and fifth calendar quarters, taxpayers may claim 25 percent of the credit. No credit is allowed after the fifth quarter.

More information on hybrid vehicles and other alternative motor vehicles can be found at [irs.gov](http://irs.gov).