What is the credit for previously owned clean vehicles? If you are interested in claiming the clean vehicle credit for purchasing a previously owned clean vehicle beginning in 2023, a tax credit is available only for qualifying clean vehicles.

Here is what you should know:
- The credit is available to all qualified buyers who are not claimed as a dependent on someone else’s tax return.
- The maximum amount of the credit is: Lesser of $4,000 or 30% of the sales price.
- Qualified buyers cannot claim the credit more than once every three years.
- The credit is allowed if the sale price is less than $25,000.

What are the income limits for the credit? You may be eligible for the credit if your modified adjusted gross income* (MAGI) for the current year or prior year is less than or equal to:
- $150,000 for married filing jointly or filing as a qualifying surviving spouse or a qualifying widow(er)
- $112,500 for head of household
- $75,000 for all other filers

* Modified adjusted gross income means adjusted gross income increased by any amount excluded from gross income because it was received from a foreign source.

What vehicles qualify for the credit?
- The previously owned vehicle has a model year at least 2 years earlier than the calendar year when you buy it. For example, a vehicle purchased in 2023 would need a model year of 2021 or older.
- The previously owned vehicle transfer to the qualifying buyer must be the first transfer to a qualified buyer since August 16, 2022.
- The previously owned vehicle must be purchased from a dealer and weigh less than 14,000 pounds.
- The previously owned vehicle must be a plug-in hybrid electric, or electric vehicle, or a hydrogen fuel cell vehicle.