



DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE  
WASHINGTON, D.C. 20224

OFFICE OF THE CHIEF COUNSEL

February 17, 2010

Number: **INFO 2010-0009**  
Release Date: 3/26/2010

CC:PSI:B06  
CONEX-103211-10

UIL: 30D.00-00

Attention:

Dear Senator Lugar:

Thank you for your letter dated January 19, 2010, on behalf of your constituents,

, wrote about Notice 2009-89. They wrote that Notice 2009-89 states that the credit for the purchase of new qualified plug-in electric drive motor vehicles (Section 30D of the Internal Revenue Code) does not apply to low speed vehicles acquired after December 31, 2009, and requested that the section 30D credit continue to apply to low speed vehicles acquired after that date.

The Energy Improvement and Extension Act of 2008 enacted section 30D of the Code. In Notice 2009-54 we described the process by which manufacturers can certify that their vehicles meet the requirements of section 30D for vehicles acquired in 2009. Notice 2009-54 provides that low-speed vehicles qualify for the section 30D credit as originally enacted.

The American Recovery and Reinvestment Act of 2009 (the Act) amended section 30D of the Code, for vehicles acquired after December 31, 2009 (section 1141(a) of the Act). The amendment changed section 30D to narrow the scope of eligible vehicles and reduce the maximum amount of the credit available for a vehicle. Prior to its amendment, section 30D imposed no limit on the gross vehicle weight rating of the vehicles eligible for the credit, and the maximum credit available could vary from \$7,500 to \$15,000, depending on the gross vehicle weight rating and battery capacity of a vehicle. As amended, section 30D applies only to vehicles with a gross vehicle weight rating of less than 14,000 pounds, and the maximum credit is \$7,500. In addition, section 30D, as amended, does not allow a credit for low speed vehicles, as noted in Notice 2009-89. Extending the section 30D credit to low speed vehicles acquired after December 31, 2009, would require legislative action by the Congress.

I should also note that certain low-speed vehicles are eligible for the plug-in electric vehicle credit (Section 30), which is equal to 10 percent of the cost of the vehicle up to a maximum credit of \$2,500. The section 30 credit is described generally in Notice 2009-58.

I hope this information is helpful in responding to . As you requested, I am replying in duplicate and returning the enclosure. Please contact me at if I can assist you further.

Sincerely,

Charles B. Ramsey  
Branch Chief, Branch 6  
(Passthroughs & Special Industries)

Enclosures: (2)