

Electric Vehicle Tax Credits and Rebates in Illinois.

Electric Vehicle Rebate from Illinois

Beginning July 1, 2022, and continuing as long as funds are available, an Illinois resident that purchases an all-electric passenger vehicle in Illinois will be able to apply for a rebate, in the amounts set forth below. A rebate amount cannot exceed the purchase price of the vehicle. The purchaser must retain ownership of the vehicle for a minimum of 12 consecutive months immediately after the vehicle purchase date. Only one rebate will be issued to a purchaser in any 10-year period.

Beginning July 1, 2022, a \$4,000 rebate for the purchase of an electric vehicle.

Beginning July 1, 2026, a \$2,000 rebate for the purchase of an electric vehicle.

Beginning July 1, 2028, a \$1,000 rebate for the purchase of an electric vehicle.

Purchasers must apply for the rebate within 90-days after the vehicle purchase date.

(this does include used vehicles) (no vehicle can receive rebate twice)

(first link is general info : second link is FAQ : 3rd link is the application)

<https://www2.illinois.gov/epa/topics/ceja/Pages/default.aspx>

<https://www2.illinois.gov/epa/topics/ceja/Pages/Electric-Vehicle-Rebates.aspx>

<https://www2.illinois.gov/epa/topics/ceja/Documents/Application%20and%20Instructions.pdf>

All of that being said in the first year funding was \$20,000,000 and that ran out. In 2023 the second year of funding was (it ran out already) \$12,000,000. And twice as many EVs were sold. So no money until Illinois' net fiscal year which begins on July 1st. I expect even less funding. Don't plan on getting this. But my mantra is always apply for it - maybe you'll get lucky. The odds are best if you buy car in July and apply as soon as possible. If no funds are available - some links will be missing. Keep checking ?

Federal Tax Credit (about that asterisk)

Big change on Jan 1 2024. The asterisk is gone. As of Jan 1 2024, the tax credit can be applied to the cost of the vehicle at the time of sale. The vehicle must qualify and the dealer must check the VIN with the Federal website and before sale is completed. Some dealers may not do this (they must apply to the feds to get on their list).

With the battery component there is the possibility of two cars of the same model and year on the lot will have different batteries. One may qualify and the other might not. The battery gets the tax credit NOT the car.

You can take the tax credit the old way but only if you want to risk getting less money and incur extra costs doing it. At the dealer you will get \$7,500, but by filing on your own you may get less depending on your tax liability. Do it at the dealer !

Tax credit is claimed by including IRS form 8936.

