



TaxNewsFlash

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Proposed regulations and Notice 2024-64: Guidance on qualified alternative fuel vehicle refueling property credit under section 30C

The U.S. Treasury Department and IRS today released [proposed regulations](#) (REG-118269-23) regarding the qualified alternative fuel vehicle refueling property credit under section 30C (as amended by the “Inflation Reduction Act of 2022” (IRA)) for property placed in service in eligible census tracts, which include low-income communities and non-urban census tracts.

As described in a related IRS release—[IR-2024-240](#) (September 18, 2024)—the proposed regulations provide guidance on:

- Determining whether a population census tract is an eligible census tract
- How to calculate the credit, including what constitutes an “item” of qualified alternative fuel vehicle refueling property, the additional costs considered in determining the cost of the item, and how to treat dual-use property
- Definitions, general rules, and special rules, including basis reduction, recapture, and apportionment of the credit between business-use and personal-use property

Comments and requests for a public hearing on the proposed regulations are due by November 18, 2024.

Notice 2024-64

Treasury and the IRS today also issued [Notice 2024-64](#) that modifies [Notice 2024-20](#), which provided a list of eligible census tracts and explained how to identify the 11-digit census tract identifier for the location where the property is placed in service. Read [TaxNewsFlash](#)

Notice 2024-64 modifies Notice 2024-20 by updating the mapping tools that taxpayers can use to identify the 11-digit census tract identifier for a location where a property is placed in service.

Notice 2024-64 also extends the time period to which Notice 2024-20 applies.

Background

The IRA amended the section 30C credit for qualified alternative fuel vehicle refueling property placed in service after December 31, 2022, and before January 1, 2033.

The credit amount for property not subject to depreciation is 30% of the cost of the qualified property placed in service during the tax year. The credit amount for depreciable property is 6% of the cost of the qualified property placed in service during the tax year but may be increased to 30% of the cost of the qualified property if the prevailing wage and apprenticeship requirements are met. The credit is limited to \$100,000 for depreciable property and \$1,000 for non-depreciable property.

Property must be placed in service in an eligible census tract to qualify for the credit. An eligible census tract is any population census tract that is a low-income community or any population census tract that is not an urban area.

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