

Appraiser Blog

Can I Get a Tax Credit for Buying an EV in Colorado?



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Wednesday, June 14, 2023



Currently, Colorado does offer tax credits, rebates, or other incentives to electric vehicles (EV) and plug-in hybrid owners or lessees. These incentives aim to encourage the adoption of clean energy transportation options. It's important to note that these programs and incentives may change over time. Therefore, it's crucial to stay updated and conduct thorough research or consult a tax specialist before making your purchase to ensure you qualify for any applicable rebates or tax credits.

Are you considering purchasing an electric vehicle (EV) in Colorado? Not only are EVs eco-friendly, but they also come with enticing financial incentives, including tax credits. In this blog post, we'll provide you with all the essential information you need

to know about tax credits for buying an EV in Colorado, along with other incentives that might be available to you.

Is there Tax Credits for New EVs in Colorado?

If you're planning to buy a new electric vehicle in Colorado, you may be eligible for tax credits. However, there are specific criteria you must meet to qualify. The vehicle must be titled and registered in the state of Colorado, and it should not have been previously titled or registered in the state. For light-duty passenger vehicles purchased between January 1, 2021, and January 1, 2023, the tax credit is \$2,500. For purchases made between January 1, 2023, and January 1, 2026, the tax credit reduces to \$2,000. Additionally, a tax credit of \$1,500 is available for leased light-duty passenger vehicles during the same period.

Is there Tax Credits for Buying Used EVs in Colorado?

Sadly, Colorado does not provide tax credits for used electric vehicle purchases or leases made after January 1, 2017. However, don't let this deter you from exploring the used EV market, as there are still many affordable and reliable options available.

Is There a Credit Available for Installing Home Charging Stations in Colorado?

While the state of Colorado doesn't provide direct incentives for installing home charging stations, utility companies may offer credits, rebates, or incentives for homeowners who choose to install a charging station. It's advisable to reach out to your local utility company to learn about available programs and eligibility criteria. Additionally, Charge Ahead Colorado, a grant-based organization, offers funding for EV charging stations at workplaces and multi-family dwellings. Keep in mind that individual homes are not eligible for this grant.

Is There a Credit for Installing Solar Panels in Colorado?

Although Colorado doesn't provide tax credits for solar panel installations, there are still ways to make solar panels more affordable. Certain components of solar systems are exempt from the state's sales taxes, offering upfront savings. Furthermore, the

value of a solar system is exempt from property taxes, meaning your home's value will increase without affecting your property tax evaluations. Additionally, federal incentives for installing solar systems may still be available for Colorado residents.

EV Fees in Colorado

EV owners in Colorado are subject to an annual Plug-in Electric Vehicle Fee of \$51.88. Of this fee, \$30 goes toward Colorado's Highway Users Tax Fund, while \$20 is designated for the Electric Vehicle Grant Fund. It's important to be aware of this fee when considering the overall costs of owning an electric vehicle in the state.

Is There Any Other Incentive I Can Get in Colorado for Electric Vehicles?

Aside from the state incentives discussed, Colorado residents purchasing an EV might also qualify for the Federal Electric Car Tax Credit, which can reach up to \$7,500. Furthermore, it's advisable to check with local electric utilities for any additional credits or incentives that they might offer.

Drive Green and Save With Electric Vehicles in Colorado

Colorado presents an array of tax credits and incentives to make the transition to electric vehicles more accessible and attractive for residents. From tax credits for new EV purchases to grants for charging station installations, these incentives contribute to both environmental sustainability and financial savings. Stay informed about the latest updates and consult relevant resources to ensure you take full advantage of the incentives available to you. Embrace the future of transportation and drive towards a greener Colorado with an electric vehicle!