

Appraiser Blog

GM's Incentive Response to Ford's Lightning Pricing Changes



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Imagine a world where electric vehicles (EVs) are the norm. The streets are quieter, the air is cleaner, and the future of transportation is electric. This is the vision that companies like General Motors (GM) and Ford are striving towards.

However, the path to this future is filled with twists and turns, as recent changes in U.S. government policy have led to significant strategic shifts by these automotive giants.



GM's Response to Lost Tax Credits

GM Offers \$7,500 Incentive for Select EVs *Details:* In response to losing the federal EV tax credit, GM is offering a \$7,500 incentive on specific models like the Cadillac Lyriq

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and Chevy Blazer EV. This incentive aims to offset the impact of the lost tax credit on customers.

Model	Original Tax Credit Status	New GM Incentive
Cadillac Lyriq	Lost Eligibility	\$7,500
Chevy Blazer EV	Lost Eligibility	\$7,500
Chevrolet Bolt EV	Retained Eligibility	None Required
Other Future Models	Expected Eligibility	TBD

Ford's Pricing Strategy

Ford Adjusts Prices Amid Market Changes *Details:* Ford has increased the prices of its lower-tier F-150 EV Lightning models by \$5,000 to \$10,000 and reduced the prices of some premium models by up to \$7,000. This strategic move is seen as a reaction to the changing EV landscape and production adjustments.

- **Pro (240-mile range):** \$57,090 (up \$5,000 from 2023)
- **XLT 311A (240-mile range):** \$67,090 (up \$10,000)
- **Flash (320-mile range):** \$75,590 (New for 2024)
- **Lariat (320-mile range):** \$81,590 (up \$2,000)
- **Platinum (300-mile range):** \$87,090 (down \$7,000)
- **Platinum Black (300-mile range):** \$95,090 (down \$5,000)

Impact on the EV Market

The 2022 Inflation Reduction Act law has reshaped the EV tax credit system in the U.S., impacting nearly 70% of eligible models. The new rules have shifted the market, leading to strategic responses from major automakers like GM and Ford. The number of EV models qualifying for U.S. EV tax credits fell from 43 to 19.

Redefining the Road Ahead: Embracing Electric Mobility

In the dynamic tapestry of the electric vehicle (EV) sector, the recent maneuvers by General Motors (GM) and Ford are not just responses to policy shifts; they are bold statements of resilience and innovation.

These industry behemoths are not merely adapting; they are actively sculpting a new era of electric mobility. Amidst a landscape transformed by regulatory changes and market currents, their strategies underscore a commitment to a future where electric vehicles are central.

This future is not just about meeting demands—it's about anticipating them, fostering a diverse ecosystem of EVs that cater to the varied tapestry of consumer desires and needs. In this electrified horizon, choice is abundant, and possibilities are as diverse as the roads we travel.

How do you think these changes in the EV market will shape the future of transportation?