



TaxNewsFlash

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Notice 2023-16: Updated FAQs for clean vehicle credit under section 30D

The IRS today released an advance version of [Notice 2023-16](#) [PDF 85 KB] that modifies the definitions of certain vehicle classifications for the new, previously owned and qualified commercial clean vehicle credits under section 30D, as amended by Pub. L. No. 117-169 (commonly called the “Inflation Reduction Act of 2022” (IRA)).

As explained in the related IRS release—[IR-2023-18](#) (February 3, 2022)—today’s guidance modifies [Notice 2023-01](#) [PDF 118 KB] released at the end of last year (read [TaxNewsFlash](#)) by changing the vehicle classification standard by which vans, sport utility vehicles, pickup trucks and other vehicles are defined.

As a result of Notice 2023-16, the IRS updated the related [“frequently asked questions” \(FAQs\)](#) [PDF 424 KB] for these credits.

The FAQs revisions are as follows:

- Topic A: Eligibility rules for the new clean vehicle credit: questions 1 and 8
- Topic B: Income and price limitations for the new clean vehicle credit: questions 2, 6, 8, 9 and added new question 7
- Topic C: When the new requirements apply to the new clean vehicle credit: question 7
- Topic D: Eligibility rules for the previously owned clean vehicle credit: question 4
- Topic G: Qualified commercial clean vehicles credit: question 6

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