



**ZERO EMISSION  
TRANSPORTATION  
ASSOCIATION**

## Treasury's Proposed 30C Alternative Fuel Vehicle Refueling Infrastructure Tax Credit

**Agency:** Department of the Treasury

**Action:** Notice of intent to propose a rulemaking

**Comment Deadline:** TBD

**Public Hearing:** TBD

**Federal Register Notice:** Forthcoming

**Link:** <https://www.irs.gov/pub/irs-drop/n-24-20.pdf>

### Key Links:

- [Alternative Fuel Refueling Property Infrastructure Tax Credit amended in the IRA](#) (page 398)
- [Argonne National Lab 30C FAQs](#)
- [IRS 30C Information Page](#)
- [Department of Energy 30C Tax Credit Eligibility Locator](#)
- [Eligible Tracts, Appendix A](#) and [Appendix B](#)
- [ZETA Comment for § 30C and § 45W in IRA](#) (December 2022)

### Overview:

- Bidirectional charging equipment qualifies.
- For commercial:
  - The maximum incentive is 30% or \$100,000 per charger (up from \$30,000 per property), whichever is of lesser value.
  - This incentive can only be fully realized if employers meet prevailing wage requirements for installation.
  - Increased credit amount of up to five times for projects with prevailing wage requirements and apprenticeship requirements per 45(b)(8).
  - Limits eligibility to infrastructure installed as defined by 45D(E) census tracts and non-urban census tracts.
- For individuals: \$1,000 or 30% of installation cost, whichever is of lesser value.

### **Background**

The Inflation Reduction Act extended the 30C Alternative Fuel Vehicle Refueling Infrastructure tax credit to provide billions of dollars for eligible refueling infrastructure investments such as zero-emission truck stops, intermodal facilities, and warehouses. To qualify for the 30C tax credit, the IRA requires properties to be placed in service in “eligible census tracts,” defined as low-income communities and non-urban areas.

In November 2022, Treasury released interim guidance which neglected to address several key questions including 1) clarity on the ‘per single-item basis,’ 2) application of census tract requirements to non-business taxpayers, 3) clarity on non-urban census tract designation, 4) how taxpayers can identify if they fall within a qualifying census tract, and 5) safe harbor provisions for existing investments. **The January 2024 guidance addresses several of these questions, which are summarized below.**

Overall, the updated guidance will ensure that the maximum number of taxpayers are eligible to benefit from the 30C tax credit.

### **Summary of Key Issues**

ZETA Ask: ZETA requested that Treasury waive geographic requirements for non-business taxpayers.

Treasury Response:

- The location requirement for the credit applies both to individual consumer property as well as commercial property.

ZETA Ask: ZETA requested that Treasury provide a safe harbor for investments made based on prior census tract designations.

Treasury Response:

- For qualified alternative fuel vehicle refueling property that is placed in service after December 31, 2022, and before January 1, 2025, the Treasury Department and the IRS intend to provide guidance stating that a taxpayer may utilize either the 2011-2015 NMTC tracts or the 2016-2020 NMTC tracts to determine if property is placed in service in a low-income community.

ZETA Ask: ZETA urged Treasury to provide a public, interactive map, accompanying list, and other necessary information so taxpayers can easily identify the location of eligible census tracts. Specifically, taxpayers should be able to enter an address and quickly determine if the location qualifies.

Treasury Response:

- DOE released [interactive maps](#) detailing tract eligibility.

ZETA Ask: ZETA urged Treasury to clarify the definition of eligible census tracts as it relates to urban areas. The statute defines an eligible census tract as any population census tract that is not an urban area.

Treasury Response:

- For purposes of § 30C(c)(3)(B)(i)(II), the Treasury Department and the IRS intend to propose regulations providing that any population census tract (using the New Markets Tax Credit (NMTC) definitions) in which at least 10 percent of the census blocks are designated as nonurban areas would be considered a “nonurban census tract.”

ZETA Ask: ZETA requested that Treasury use data from the 2020 census report to calculate an appropriate percentage threshold within a census tract to determine eligibility.

Treasury Response:

- IRS intends to use the 2020 census tract boundaries, and the Census Bureau’s determination of urban areas using the 2020 Census.
- Thus, these “2020 non-urban census tracts” would be eligible census tracts for purposes of § 30C.
- In the event that the Census Bureau releases the determinations of the 2030 urban areas earlier than January 1, 2033, the Treasury Department and the IRS anticipate providing guidance reflecting the updated set of nonurban census tracts.

### **Outstanding Question:**

1. **Per-Single Item Basis:** In 2022, ZETA urged Treasury to define “single item” uniformly with the definition of “port” in the Infrastructure Investments and Jobs Act’s National Electric Vehicle Infrastructure (NEVI) Formula Program’s proposed minimum standards. In the case of a charging unit with two co-located energy dispensers or connectors which can simultaneously charge two vehicles, we encourage Treasury to consider these as two distinct single items. ***Treasury has yet to provide clarity on this issue.***