



ZERO EMISSION  
TRANSPORTATION  
ASSOCIATION

November 18, 2024

United States Department of the Treasury  
Internal Revenue Service  
1500 Pennsylvania Avenue, NW  
Washington, D.C. 20220

**RE: Docket No. REG-118269-23**  
**Section 30C Alternative Fuel Vehicle Refueling Property Credit**  
*Submitted via Rulemaking Portal: <http://www.regulations.gov>.*

The Zero Emission Transportation Association (ZETA) is an industry-backed coalition of over 50 member companies advocating for 100% electric vehicle (EV) sales. Our coalition spans the entire EV supply chain including vehicle manufacturers, charging infrastructure manufacturers and network operators, battery manufacturers and recyclers, electricity providers, and critical minerals producers, among others.

We thank the Department of the Treasury and the Internal Revenue Service (IRS) for the opportunity to comment on its Section 30C Alternative Fuel Vehicle Refueling Property Credit (“Section 30C” or “30C”) proposed rule.<sup>1</sup> Developing our nation’s EV charging network is crucial to support transportation electrification. As one of the principal incentives for charging infrastructure, the 30C tax credit will help fill charging gaps and attract investment to rural and lower-income communities. It will also help comfort prospective EV drivers with their transition from combustion-powered vehicles as they see more publicly-available infrastructure. As discussed further in these comments, the Section 30C credit has also become a major driver of domestic manufacturing and job creation.

ZETA appreciates the responsiveness to concerns we and our members have previously raised and we urge Treasury and the IRS to finalize the Section 30C rulemaking by December 31, 2024 to provide much needed certainty for individuals and businesses planning to take advantage of the credit for property placed in service this calendar year.

**The Section 30C Alternative Fuel Vehicle Refueling Property Tax Credit is a Critical Driver of Domestic Manufacturing Investment and Job Creation**

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<sup>1</sup> 89 FR 76759 (September 19, 2024)

Approximately 5,500 jobs in the electric vehicle supply equipment (EVSE) industry and \$275 million of investment have been announced since 2022,<sup>2</sup> and the industry is projected to create 160,000 jobs in the next eight years.<sup>3</sup> These include jobs in electrical installation, electrical maintenance and repair, domestic charger assembly, general construction labor, software maintenance and repair, planning and design, and administration and legal services. By 2032, the electrical jobs associated with the EVSE industry are expected to number more than 10 percent of current electrical jobs in the United States, creating enormous opportunities for future electricians and stimulating the landscape of American trades work.<sup>4</sup>

While charging their EV, drivers tend to spend time at rest stops and co-located businesses, resulting in higher spending at establishments with an EV charging station in the vicinity.<sup>5</sup> For example, 89 percent of EV drivers make a retail purchase while charging, and EV charger installation can increase retail revenue by 5 percent.<sup>6</sup> This effect has an even greater impact on businesses within 100 meters of a charging station, and provides a pronounced boost to businesses in underserved areas in particular.<sup>7</sup> This is in addition to the revenue stream to operators provided by the charging station itself. Businesses and retailers recognize this and have begun plans to build fast-charging networks at their store locations:

- 7-Eleven has a network of charging stations, currently in eight states and growing quickly.<sup>8</sup>
- Walmart plans to build a fast-charging network at thousands of Walmart and Sam's Club locations throughout the United States by 2030.<sup>9</sup>
- Wawa currently offers EV charging at more than 175 stores and growing.<sup>10</sup>
- Starbucks is bringing charging stations to more than 100 Starbucks locations along a critical interstate between Washington and California.<sup>11</sup>
- Costco hosts EV charging stations at a wide variety of its locations across the country.<sup>12</sup>
- Ikea offers EV charging at nearly all of its fifty store locations in the United States.<sup>13</sup>

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<sup>2</sup> "EV Jobs Hub" Blue Green Alliance, Atlas Public Policy, accessed October 2, 2024. <https://evjobs.bgafoundation.org/>

<sup>3</sup> "Charging Up America: The growth of US electric vehicle charging infrastructure jobs," ICCT, January 2024. [https://theicct.org/wp-content/uploads/2024/01/ID-28-%E2%80%93-U.S.-infra-jobs-report-letter-70112\\_final.pdf](https://theicct.org/wp-content/uploads/2024/01/ID-28-%E2%80%93-U.S.-infra-jobs-report-letter-70112_final.pdf)

<sup>4</sup> *Ibid.*

<sup>5</sup> "Effects of electric vehicle charging stations on the economic vitality of local businesses," Nature, September 4, 2024. <https://www.nature.com/articles/s41467-024-51554-9#>

<sup>6</sup> "Consumer reports study finds retailers could be key to expanding EV charging," Consumer Reports Advocacy, March 6, 2024. <https://advocacy.consumerreports.org/press-release/consumer-reports-study-finds-retailers-could-be-key-to-expanding-ev-charging>

<sup>7</sup> *Id.* at footnote 5.

<sup>8</sup> "Introducing 7Charge," 7-Eleven, accessed October 18, 2024. <https://www.7-eleven.com/7charge>

<sup>9</sup> "Leading the Charge: Walmart Announces Plan to Expand Electric Vehicle Charging Network," Walmart, April 6, 2023. <https://corporate.walmart.com/news/2023/04/06/leading-the-charge-walmart-announces-plan-to-expand-electric-vehicle-charging-network>

<sup>10</sup> "Wawa Fuel & EV Charging," Wawa, accessed October 18, 2024. <https://www.wawa.com/fuel-ev-charging>

<sup>11</sup> "Starbucks and Mercedes to install EV chargers at 100 Starbucks stores," Starbucks, July 17, 2024. <https://about.starbucks.com/stories/2024/starbucks-and-mercedes-to-install-ev-chargers-at-starbucks-stores/>

<sup>12</sup> "22 Costco Stores Now Offer EV Charging - With More To Come," MoneyTalksNews, January 26, 2024.

<sup>13</sup> "Some Costco, Ikea, Target, and Walmart Stores Now Offer EV Charging Stations," Consumer Reports, March 6, 2024. <https://www.consumerreports.org/cars/ev-chargers/ev-charging-stations-at-major-retailers-a9292546952/>

Increased investment in residential and commercial charging stations will make transportation more efficient and less time-consuming for consumers, increasing mobility for EV drivers and expanding vehicle options to rural Americans. With more EVs on the road than ever, the regulatory certainty of maintaining 30C is a great inducement to invest in the future, build the capacity needed to keep the EV market growing and promote the American EV industry's competitiveness.

### Opportunities to Further Streamline Section 30C Implementation

The proposed rule provides much needed clarity on several fronts, enabling all alternative fueling providers to move forward with claiming and transferring Section 30C credits. We do wish to highlight two key opportunities to provide even further clarification around specific nuances related to electric vehicle charging which will streamline the process of claiming and transferring Section 30C credits going forward.

#### **Treasury and the IRS Should Clarify Eligibility and Process for Claiming Costs Associated with “Make-Ready” Charging Infrastructure**

Several EV charging network providers future-proof their charging stations for future demand by installing additional “make-ready” recharging infrastructure during the initial construction phase. “Make-ready” charging infrastructure is the electrical infrastructure required to install an EV charger and includes pre-wiring parking spaces with conduit, wiring, junction boxes, and service panels, as well as associated trenching and concrete work. This strategy enables a charging provider to come back at a later time, once charging demand necessitates, to add charger hardware to previously installed make-ready infrastructure at a much lower cost compared to starting a new phase of construction and trenching. As currently written in the proposed rule, Example 5 and the related definitions in § 1.30C-2(b)(2) and § 1.30C-2(b)(3) would benefit from additional clarity regarding whether the costs associated with make-ready infrastructure are eligible under the Section 30C credit and if so, how and when taxpayers would claim the costs.

We therefore encourage Treasury and the IRS to clarify whether the intent of the proposed rule, as described in Example 5, is to allow for make-ready costs to be claimed in Year 1 by ratably allocating costs across all ports in Year 1, thus including the make-ready costs associated with charger hardware installed in Year 2. If this is the intention, we encourage Treasury and the IRS explicitly confirm this in final rulemaking and consider incorporating an additional definition in § 1.30C-2 clarifying that make-ready infrastructure placed in service by a taxpayer in a taxable year should be treated as associated property directly attributable and traceable to more than one single item of 30C property (allowing make-ready costs to be claimed in Year 1 and ratably allocated across all ports installed in Year 1). Additional clarification in this area will play a critical role in reducing uncertainty around recapture or credit transfer risks as taxpayers navigate

the process of claiming and selling 30C credits for charging sites with make-ready infrastructure investments.

### **Treasury and the IRS Should Confirm Upgrading or Retrofitting Eligible Property Does Not Trigger a Recapture Event**

Upgrading and retrofitting charging equipment is part of the normal course of business when operating EV charging infrastructure. This includes, but is not limited to, replacing entire charging dispensers with a newer model, replacing charging cords and connectors, and general maintenance and repair in the case of damage. Under the current definitions in the proposed rule, it is unclear whether the types of upgrades or retrofits described above would trigger a recapture event. Therefore, we encourage Treasury and the IRS to provide additional language which clarifies upgrades or retrofits to components of 30C property do not trigger a recapture event as long as the project as a whole continues to be used for charging purposes. This clarification will streamline the credit transaction process by alleviating concerns from credit buyers, reducing additional due diligence costs, and preventing any unintended discouragement of pursuing retrofits or upgrades to recharging infrastructure. This is specifically important to address given the industry's forthcoming transition to the SAE J3400/NACS standard which will spur charger and connector/cord replacements in order to meet growing demand of native SAE J3400/NACS vehicles.<sup>14</sup>

### **Treasury and the IRS Should Confirm that, Assuming the Functionally Interdependent and, if Applicable, Integral Test is Met, Land Improvements Qualify as 30C Property**

During the installation process for an EV charging station, some land improvements must be completed to install functionally interdependent property like conduit and concrete pads for charging dispensers. We request that Treasury and the IRS clarify that costs such as demolition and repaving to install 30C property, improvements to meet Americans with Disabilities Act requirements, and other land improvements qualify assuming the functionally interdependent test and, if applicable, integral test are met.

### **Conclusion**

As one of the principal incentives for charging infrastructure, the 30C credit will help fill in charging gaps and attract investment to rural and lower-income communities. ZETA thanks the Administration for its commitment to implementing the Inflation Reduction Act in a way that is responsive to the needs of all constituents. We urge Treasury and the IRS to finalize the Section 30C rulemaking by December 31, 2024.

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<sup>14</sup> "Tesla Charging Network: All the Upcoming Compatible EVs," Car & Driver, September 24, 2024. <https://www.caranddriver.com/news/a44388939/tesla-nacs-charging-network-compatibility/>

Sincerely,

A handwritten signature in black ink, appearing to be 'AG', written in a cursive style.

Albert Gore  
Executive Director  
Zero Emission Transportation Association