

Colorado Electric Vehicle Tax Credit Calculations

The calculations below apply to light-duty passenger electric vehicles. These are vehicles like the Nissan Leaf and Chevrolet Volt that have electric batteries with at least four kilowatt hours of capacity and that are capable of being recharged from an external source of electricity. These calculations do not apply to vehicles with a gross-vehicle weight rating greater than 8,500 pounds. Please consult a tax professional, the Internal Revenue Service and the Colorado Department of Revenue for more details.



For Purchase

What is the base model manufacturer's suggested retail price (MSRP) for your electric vehicle?	\$35,000	This is the MSRP for the base model of the vehicle without any optional features or equipment.
What is the Federal tax credit that you will receive for your vehicle?	\$7,500	The Federal tax credit is based on the battery capacity of the electric vehicle (EV) purchased. For an EV with a battery capacity of 16 kWh or greater, the maximum value of Federal tax credit is \$7,500 as of December, 2014. However, the Federal tax credit can only be refunded up to your Federal tax liability. Therefore, if you only owe \$5,000 in Federal taxes, even if your vehicle could qualify for a \$7,500 Federal tax credit, you would only receive credit for \$5,000.
What other grants or rebates are you applying to the purchase of your vehicle?	\$ -	This could apply to grants from governmental agencies or rebates from your dealership.
What is the "actual cost" of your vehicle after subtracting the Federal tax credit and other grants or rebates?	\$27,500	Subtract the Federal tax credit and other grants or rebates from the MSRP to arrive at the "actual cost."
What is the battery capacity of your EV?	16	This will be expressed in kWh. Check the car specifications on the manufacturer website.
Amount of the Colorado state tax credit (capped at \$6,000):	\$4,400	Convert the battery capacity to a percentage (e.g. 16 kWh = 16%). Then multiply that percentage by the "actual cost" of the vehicle. Your Colorado state tax credit is the lesser of that result and \$6,000. The Colorado state tax credit is fully refundable. Therefore, if you only owe \$3,000 in Colorado state tax, you can still be refunded up to the \$4,400 value for the Colorado state EV tax credit in this example.
Total tax credits available:	\$11,900	The Federal tax credit plus the Colorado state tax credit.

Disclaimer

These calculations are for illustrative purposes only. Please consult a tax professional, Federal Internal Revenue Service, and Colorado Department of Revenue for actual figures. The numbers entered are examples to help explain the calculations. They do not reflect actual tax credit values.

Additional Info

For more information on tax credits, incentives, grants, fueling station locators and FAQ's for Alternative Fuel Vehicles (AFVs) in Colorado, please go to: www.refuelcolorado.com.

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For Lease

What is the total of lease payments that you will make on your electric vehicle?	\$20,000	This is the total amount of the payments that you will pay over the duration of your lease.
What ineligible deposits, charges and fees are included in your lease payments?	<ul style="list-style-type: none"> \$ - \$ 70 \$ 630 \$ 500 \$ 300 \$ - \$ - 	These ineligible deposits, charges, and fees include: <ul style="list-style-type: none"> • security deposit • rent charge • sales tax • titling and registration fees • disposition fee • any administrative fees • other fees that do not reflect the value of the motor vehicle
What is the total of lease payments minus ineligible deposits, charges, and fees?	\$18,500	Subtract all ineligible deposits, charges, and fees from the total of lease payments.
What is the Federal tax credit that you will receive for your vehicle?	\$ -	In many cases, the leasing company will collect the Federal tax credit and discount your vehicle lease accordingly. If this is the case, then you are not entitled to an additional Federal tax credit. If the leasing company did not collect the Federal tax credit, see the notes on the other side about calculating the Federal tax credit and accounting for your Federal tax liability.
What other grants or rebates are you applying to the purchase of your vehicle?	\$8,500	This could apply to rebates from your dealership or grants from governmental agencies.
What is the "actual cost" of your vehicle after subtracting the Federal tax credit and other grants or rebates?	\$10,000	Subtract the Federal tax credit and other grants or rebates from the MSRP to arrive at the "actual cost."
What is the battery capacity of your EV?	24	This will be expressed in kWh. Check the car specifications on the manufacturer website.
Amount of the Colorado state tax credit (capped at \$6,000):	\$2,400	Convert the battery capacity to a percentage (e.g. 24 kWh = 24%). Then multiply that percentage by the "actual cost" of the vehicle. Your Colorado state tax credit is the lesser of that result and \$6,000.
Total tax credits available:	\$2,400	The Federal tax credit (which is \$0 in this example) plus the Colorado state tax credit.

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