

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220



TO: [redacted], Office of Information and Regulatory Affairs

FROM: Ryan Law, Deputy Assistant Secretary for
Privacy, Transparency, and Records

SUBJECT: Justification for Emergency Processing: Revenue Procedure 2023-33

The Department of the Treasury and the Internal Revenue Service (IRS) are requesting a new OMB control number under emergency procedures in connection with provisions of sections 13401 and 13402 of Public Law 117-169, 136 Stat. 1818 (August 16, 2022), commonly known as the Inflation Reduction Act of 2022 (IRA).

Section 30D and 25E provide a tax credit for the acquisition and placing in service of new clean vehicles and previously-owned clean vehicles, respectively. Sections 30D and 25E allow the taxpayer purchasing the clean vehicle to transfer the tax credit to an eligible entity. This revenue procedure sets forth the procedures under §§ 30D(g) and 25E(f) for the transfer after December 31, 2023, of the clean vehicle credit or previously-owned clean vehicle credit from the taxpayer who elects to transfer such credit to an eligible entity (“transfer election”). These procedures include the procedures for dealer registration with the IRS, the procedures for the revocation and suspension of that registration, and the establishment of an advanced payment program to registered dealers.

Under the procedures prescribed in this revenue procedure, a dealer of a new clean vehicle or previously-owned clean vehicle that wishes to partake in the advanced payment program under §§ 30D(g) and 25E(f), must register with the IRS through the IRS Identity Registration System and through the IRS Clean Vehicle Sales Portal. At the time of registration through the IRS Clean Vehicle Sales Portal, the dealer must provide certain information to the IRS and make certain certifications. After those are complete, the IRS will perform a tax compliance check to ensure the dealer is compliant with its tax obligations. After a taxpayer makes a transfer election under § 30D(a) or § 25E(a) to the dealer, a dealer must upload certain information through the IRS Clean Vehicle Sales Portal, and the IRS, upon review, and if all conditions are met, will issue a payment to the dealer.

The IRS intends to publish this revenue procedure by September 29, 2023, and the Clean Vehicle Sales Portal is expected to launch in October 2023 to allow dealers time to register before the transfer election goes in effect on January 1, 2024. If the revenue procedure is not published before September 29, 2023, dealers may not have the information they need to register through the Clean Vehicle Sales Portal and be eligible for the advanced payment program when it first comes into effect, which may adversely affect them. Moreover, if dealers are unable to register before the transfer election goes in effect on January 1, 2024, the IRS will not be able to

properly implement Code provisions that go into effect on that day. If that happens, taxpayers will be adversely affected because they will not be eligible for an immediate benefit of a discounted vehicle sales price (compared to a tax credit claimed on a tax return on a later date). This will also harm the public policy of making clean vehicles more affordable to taxpayers. For the foregoing reasons, publication of this revenue procedure before September 29, 2023, is for the benefit of taxpayers who are impacted by these procedures. Once IRA passed in August 2022, IRS and Treasury began an inter-agency effort to provide guidance to taxpayers for the clean vehicle tax credits, including the Department of Energy (DOE), Department of Transportation (DOT), Environmental Protection Agency (EPA) and the Executive Office of the President (EOP). The IRS has been working tirelessly to implement the various parts of the changes to section 30D, and the new section 25E, it was not possible to prepare this Revenue Procedure with sufficient time to solicit public comment in advance of issuance.

Following normal Paperwork Reduction Act clearance procedures would thus result in harm to dealers and sellers of qualified clean vehicles who would be unable to timely register through the Clean Vehicle Sales Portal and participate in the advanced payment program. Therefore, due to the extraordinary circumstances and statutory deadlines for implementing the sections 30D and 25E tax credits, the Treasury and IRS request emergency processing of this information collection request by September 26, 2023. Given the inability to seek public comment during such a short timeframe, IRS also respectfully requests a waiver from the requirement to publish a notice in the Federal Register seeking public comment during the period of Office of Management and Budget review. However, public comment will be solicited in conjunction with the approval to collect this information.