

The Tesla Model X Tax Implication

Posted on September 13, 2018

Market research and analysis indicate that the proposed advert for the Tesla Model X needs to be upgraded to be able to reach many individuals in the market. Findings from the individuals we have talked to have suggested the need to improve the media used to advertise our machine and the new car model. We are not only supposed to rely on television while announcing our model but the internet has opened a bigger platform for the advertising agencies as well. Additionally, it is crucial to make interested buyers, or consumers understand how the tax is imposed. An individual who may wish to have a Tesla can get \$7500 charge knock off as a tax credit in any state, but they do not understand how this came to be. Therefore, a more in-depth analysis of the tax implications is essential for the buyer to know how the transactions are carried out (“XXXXXXXXXX”).

Creating Awareness

For eligibility purposes of the federal credit, a vehicle must be in a position to draw repulsion from the battery is not less than 4 kilowatt hours, can be able to use an external source to charge the battery, be in a position to be used in both public and private streets among other qualities. The credit amount is up to \$7500 for the vehicles which are powered by the 4 kilowatts per hour battery. With an applicable additional \$417 per kilowatt array beyond the minimum four hours. Buyers of the qualifying credit vehicles should rely on the distributors and manufacturers for the allowance of credits through certification from the company. The maximum credits allowed are \$7500 (“XXXXXXXXXX”).

The buyers should be in a position to understand that the credit can be used in offsetting their federal income tax liability as well as any other alternative minimum tax which they owe. Most important to note is that every individual is qualified for the credits hence no income restrictions for the individual’s income (“XXXXXXXXXX”).

Section 179 Deduction \$25000

50% deduction of bonus \$37500

Regular Depreciation \$7500 (20% x \$37500) (“XXXXXXXXXX”)

Tesla Model X, in this case, sell on the average of \$100,000 and its 3model price is expected to be about \$50,000. Hence, the \$ 75 credit is the percentage of the amount that has been purchased, which is relatively lower for the Tesla model compared to other electric vehicles in the market. Additionally, many countries have already subsidized their electric cars, except the United States.

More so, states like Europe, where electric vehicles have been supported, have led to the increased ownership of electronic machines by its citizens; this shows that they do understand the advantages of electric cars compared to old fuel vehicles. Countries like Europe are setting goals of zero-emission shortly by sharply reducing the sale taxes and offering free parking and decongested bus lanes.

Credit Breakdown

Also, the credit programs in the United States are so confusing to consumers that it is difficult for them to know what amount they should have to be able to purchase an electric vehicle. We need to break this down to benefit our clients who would like to buy the Tesla Model X since it qualifies for the \$ 7500 tax credit like any other electric vehicle; hence, the consumers should be aware that the tax liabilities will be reduced to that amount. However, if one owes less than \$7500, then they are lucky enough since the amount on the federal tax credit applies to the amount one owes (“□□□□□□□□□□”).

Not all the tax credits are said to be permanent others like in Georgia are temporary since in 2015 the credit tax repealed from the initial \$5000. The federal loans are not permanent; hence, we do not expect them to last forever. For instance, in our case, after Tesla sells its 200,000th vehicle, the tax credit remains in full effect for the rest of the quarter and later the entire quarter after that. During the next six months, the credit is still available, but it is half of the previous original amount. At the end of these six months, there will be zero credits remaining for vehicles that were purchased from that manufacturer (“□□□□□□□□□□”).

It is important to note that the credit does not apply to the pre-owned cars; therefore, when the manufacturer sells the two hundred thousand targeted vehicles, the opportunity to zero-emission from the fuel vehicles will take place. For the consumers who want to buy electric cars, the earlier, the better before the manufacturers reach the two hundred thousand machines. For those whose dream cars are. The Tesla Model X needs to rush since the company seems to be selling fast and almost reaching its target. Model X appears to be one of the most interesting electric vehicles on sale right now because its features are attractive and have been modified to satisfy the client’s needs (“□□□□□□□□□□”).

Federal Tax

Concerning federal tax, some vehicles qualify while there are others that do not qualify. Tesla X model is one of the cars that are eligible for federal tax credits. If one purchases a Tesla Model X, it will be the most precious car one of the electric vehicles one can buy. The added advantage is that the locomotive is environmentally friendly since there is no more fuel phishing; hence, it does not produce any smoke. Therefore I would stand that the government to check the credit tax so that every individual who owns a car to hold the Tesla Model X. Thank you (“□□□□□□□□□□”).

Works Cited

“自动驾驶出租车，”“”Tesla Model X.” Mp.weixin.qq.com. N.p., 2018. Web. 23 Feb. 2018.