



JK Harris Says, Don't Forget about Deduction for Hybrids

On December 13, the IRS announced that the 2005 Ford Escape was eligible for the clean-burning fuel deduction. The certification means taxpayers who purchase this vehicle new may claim a tax deduction of \$2,000 on Form 1040.

NORTH CHARLESTON, SC ([PRWEB](#)) December 16, 2004 -- JK Harris wants to remind taxpayers that they can claim a deduction for the incremental cost of buying a motor vehicle that is propelled by a clean-burning fuel, also known as hybrid vehicles.

JK Harris, the nation's largest and most successful tax resolution firm, prepares thousands of tax returns annually for individuals and small businesses.

On Monday, the IRS certified the model year 2005 Ford Escape as being eligible for the clean-burning fuel deduction. The certification means taxpayers who purchase this vehicle new may claim a tax deduction of \$2,000 on Form 1040. By combining an electric motor with a gasoline-powered engine, hybrid vehicles obtain greater fuel efficiency and produce few emissions than similar vehicles powered solely by conventional gasoline-powered engines.

Under the recently signed Working Families Tax Relief Act of 2004, the clean-burning fuel deduction is up to \$2,000 for certified vehicles first put into service in 2004 and 2005. The deduction will be limited to \$500 for vehicles placed in service in 2006 and no deduction will be allowed after that year.

According to the IRS, the one-time deduction must be taken in the year the vehicle is originally used. The taxpayer must be the original owner. Individuals take this benefit as an adjustment to income on Form 1040. They do not have to itemize deductions on their tax returns to claim it.

The amount of the deduction for the 2005 Escape was set after the manufacturer, Ford Motor Company, documented for the IRS the incremental cost related to the vehicle's electric motor and related equipment.

The IRS has previously certified Toyota and Honda hybrid vehicles..

JK Harris & Company, LLC (www.jkharris.com), based in North Charleston, S.C., is the nation's largest tax resolution company with over 470 satellite offices in 45 states and has serviced over 120,000 clients since its founding in 1997 by John K. Harris. JK Harris also provides services for consumer and commercial debt, student loan debt, investment fraud, financial planning, mortgage services, tax return preparation, and assisting individuals who require support for an IRS audit.

###



Contact Information

Josh Baker

JK HARRIS & COMPANY

<http://www.j-k-harris-company.com>

843-576-2255

Online Web 2.0 Version

You can read the online version of this press release [here](#).