



COMPLIANCE ALERT

IRS ECO Portal Update: Time of Sale Report Deadline Temporarily Suspended, New FAQs for Returns and Cancellations Issued

What's new: The IRS announced today that it will temporarily suspend the three-calendar day deadline for submission of 2024 time-of-sale reports in the ECO portal beginning on or around November 25, 2024.

Why it matters: The IRS took this action after extensive engagement with NADA to provide relief for dealers that encountered problems when registering for and using the ECO portal, including the issues outlined in NADA's [May 30th letter](#) regarding outstanding reimbursements for clean vehicle tax credits applied to 2024 clean vehicle sales.

What's next: Once implemented, the suspension will enable dealers who missed the deadline, either because their registration remained pending or for other reasons, to submit time-of-sale reports and seek reimbursement for clean vehicle tax credits applied to their outstanding 2024 transactions. The IRS urges dealers to submit any outstanding 2024 time-of-sale reports by December 10, 2024 to ensure there is sufficient time to process them.

More details: For future transactions, the IRS suggests that, when unable to submit a time-of-sale report within three calendar days after the date of sale, dealers should nevertheless submit the time of sale report as promptly as possible and include an explanation regarding why the report could not be submitted by the deadline. Dealers should note that the attestations supporting any such submissions are subject to IRS review, and that dealers may be asked to provide additional documentation pertaining to the clean vehicle credit transfer.

What about cancellations: The IRS issued new FAQs recently to assist dealers with submitting return and cancellation requests, which are available [here](#). The IRS encourages dealers to submit any cancellation requests that need to be processed for 2024 transactions before November 25, 2024, including those involving time-of-sale reports submitted for vehicles that were never placed in service and time-of-sale reports mistakenly submitted for leased vehicles (time-of-sale reports should not be submitted for leased vehicles).

The IRS states that the VIN for an eligible vehicle not placed in service will be available for submission on a new time-of-sale report typically within 2-3 weeks after submission of a cancellation request. However, dealers should note that it could take longer for the IRS to process the cancellation. If a dealer has submitted a new time-of-sale report for the same vehicle it is attempting to cancel and the new time of sale report is pending review, dealers should notate this in the Reason for Input explanation box of the cancellation request.

Go deeper: Dealers encountering problems with submitting or modifying a time-of-sale report, or a return/cancellation request, should follow the steps outlined in Q1 of the new [FAQ document](#). If the issue persists, dealers should send the IRS a message through the portal's new secure messaging tool and provide the VIN in the message.