## EV sales rev up in Baton Rouge ahead of tax credit deadline

By Dillon Lowe



Car dealerships across the nation are <u>seeing a spike in electric vehicle sales</u> as buyers rush to take advantage of a \$7,500 federal tax credit for new EV purchases before it expires on Sept. 30.

But is the same trend playing out in Baton Rouge? In short: It appears so.

Nick Pentas, general manager and co-owner of <u>Mercedes-Benz of Baton Rouge</u>, tells *Daily Report* that sales of all-electric and plug-in hybrid vehicles, both of which qualify for the credit, have indeed spiked at his dealership as of late.

"We've pretty much sold out due to the credit going away at the end of September," Pentas says.

Over the past two months, Mercedes-Benz of Baton Rouge has sold upward of 20 EVs and hybrids—substantially more than the dealership had been selling prior to the last-minute buying spree fueled by the expiring tax credit.

"It'd probably take us six months to sell that many before," Pentas says. "I would say [the credit's upcoming expiration] accelerated sales by 300 percent."

Eric Lane, president of <u>Gerry Lane Enterprises</u>, has seen a similar uptick—particularly at his Cadillac dealership, which offers more electric models than his other dealerships do. Gerry Lane operates four dealerships in Baton Rouge under various General Motors brands: Gerry Lane Buick GMC, Gerry Lane Cadillac, Gerry Lane Chevrolet and Gerry Lane CDJR (Chrysler, Dodge, Jeep and Ram).

"Last month, we sold 37 total Cadillacs, and 14 of them were electric," Lane says. "Normally, we sell about eight or nine [EVs] a month. So that's up about 40 percent."

Analysts expect September to be one of the strongest months on record for U.S. EV sales. What comes after, however, is uncertain, as automakers and dealerships are now having to brace for a market without the federal incentive.

Still, the tax credit's expiration is far from a death sentence for the EV market. As Lane puts it, "Once they start driving electric, most of them don't go back."

Both Pentas and Lane note that while some buyers specifically cite the expiring tax credit as the motivation for their purchases, it's not something that's always brought up over the course of a transaction. Lane in particular points out that for buyers of high-end EV models like the \$140,000 Escalade IQ, a \$7,500 discount probably doesn't mean much. He speculates that at least some of the recent surge in demand he's seen can simply be attributed to the fact that more and more drivers are becoming ready to make the switch from gas to electric.

The tax credit, introduced to spur the adoption of cleaner vehicles and reduce the nation's dependence on fossil fuels, was originally set to expire at the end of 2032. President Donald Trump's far-reaching "big, beautiful bill" pushed that expiration deadline up to Sept. 30.

 $\begin{tabular}{ll} \textbf{URL: } \underline{\textbf{https://www.businessreport.com/business/ev-sales-rev-up-in-baton-rouge-ahead-of-tax-credit-} \\ \underline{\textbf{deadline}} \\ \end{tabular}$