

HOUSE BILL 1345

Q5, Q3, R4

4lr2484
CF SB 908

By: **Delegate McHale (By Request – Maryland Electric Vehicle Infrastructure Council) and Delegates Malone, Clippinger, and Hammen**

Introduced and read first time: February 7, 2014

Assigned to: Environmental Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Electric Vehicles and Recharging Equipment – Rebates and Tax Credits**

3 FOR the purpose of repealing the credit against the State income tax for the cost of
4 certain qualified electric vehicle recharging equipment; establishing, for certain
5 calendar years, the Electric Vehicle Recharging Equipment Rebate Program to
6 provide certain rebates to certain individuals and business entities for the costs
7 of acquiring and installing certain equipment; requiring the Maryland Energy
8 Administration to administer the Program; providing for the amount of a rebate
9 and a limit on the total amount of rebates that may be issued; limiting the
10 number of rebates that an individual may claim; authorizing the
11 Administration to adopt certain regulations; authorizing the Administration to
12 use the Maryland Strategic Energy Investment Fund to pay for certain rebates;
13 extending the credit against the motor vehicle excise tax for certain qualified
14 plug-in electric drive vehicles for a certain period of time; altering the type of
15 vehicle the credit applies to; altering the calculation of the credit; providing that
16 the credit may not exceed a certain amount; altering a requirement to transfer
17 certain amounts from the Fund during certain fiscal years; transferring certain
18 money from the Fund to the Transportation Trust Fund in certain fiscal years;
19 defining certain terms; and generally relating to tax incentives for the purchase
20 of electric vehicles and certain rebates for the purchase and installation of
21 electric vehicle recharging equipment.

22 BY repealing

23 Article – Tax – General

24 Section 10-729

25 Annotated Code of Maryland

26 (2010 Replacement Volume and 2013 Supplement)

27 BY repealing and reenacting, without amendments,

28 Article – State Government

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Section 9–2001(a) and (b) and 9–20B–05(a)
2 Annotated Code of Maryland
3 (2009 Replacement Volume and 2013 Supplement)

4 BY adding to
5 Article – State Government
6 Section 9–2009 and 9–20B–05(f)(7)
7 Annotated Code of Maryland
8 (2009 Replacement Volume and 2013 Supplement)

9 BY repealing and reenacting, with amendments,
10 Article – State Government
11 Section 9–20B–05(f)(6) and (7)
12 Annotated Code of Maryland
13 (2009 Replacement Volume and 2013 Supplement)

14 BY repealing and reenacting, with amendments,
15 Article – Transportation
16 Section 13–815
17 Annotated Code of Maryland
18 (2012 Replacement Volume and 2013 Supplement)

19 BY repealing and reenacting, with amendments,
20 Chapter 389 of the Acts of the General Assembly of 2013
21 Section 2

22 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
23 MARYLAND, That the Laws of Maryland read as follows:

24 **Article – Tax – General**

25 [10–729.

26 (a) (1) In this section the following words have the meanings indicated.

27 (2) “Administration” means the Maryland Energy Administration.

28 (3) “Qualified electric vehicle recharging equipment” means property
29 used for the recharging of motor vehicles propelled by electricity that meets the
30 definition of “qualified alternative fuel vehicle refueling property” in § 30C of the
31 Internal Revenue Code.

32 (b) For tax years 2011 through 2016 only, an individual or corporation that
33 receives an initial credit certificate under subsection (d) of this section from the
34 Administration may claim a credit against the State income tax for a taxable year in
35 an amount equal to 20% of the cost of any qualified electric vehicle recharging
36 equipment placed in service by the taxpayer during the taxable year.

1 (c) (1) For any taxable year, the credit allowed under this section may not
2 exceed the lesser of:

3 (i) \$400 for each individual recharging system; or

4 (ii) the State income tax for that taxable year.

5 (2) The unused amount of the credit for any taxable year may not be
6 carried over to any other taxable year.

7 (d) (1) On application by a taxpayer, the Administration shall issue an
8 initial credit certificate in an amount equal to 20% of the estimated cost of the
9 qualified electric vehicle recharging equipment to be placed in service in the State by
10 the taxpayer during the taxable year.

11 (2) The initial credit certificate issued under this subsection shall
12 state the maximum amount of credit that may be claimed by the taxpayer.

13 (3) The credit allowed under this section is limited to the acquisition
14 of:

15 (i) 1 recharging system per individual; and

16 (ii) 30 recharging systems per business entity.

17 (4) The Administration may issue total credit certificates not to exceed
18 the following amounts:

19 (i) for tax year 2011, \$400,000;

20 (ii) for tax year 2012, \$500,000; and

21 (iii) for tax years 2013 through 2016, inclusive, \$600,000 each
22 tax year.

23 (5) On January 1, 2012, and each year the credit is authorized, the
24 Administration shall provide to the Comptroller a list of all taxpayers in the prior tax
25 year that have been issued an initial credit certificate and shall specify for each
26 taxpayer the maximum amount of credit allowed.

27 (6) (i) The Administration may adopt regulations to administer the
28 initial credit certificate required under this subsection.

29 (ii) The regulations adopted by the Administration may include
30 a further limit on the maximum amount of credit that may be claimed by the
31 taxpayer.]

Article – State Government

9–2001.

(a) In this subtitle the following words have the meanings indicated.

(b) “Administration” means the Maryland Energy Administration.

9–2009.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) “ELECTRIC VEHICLE RECHARGING EQUIPMENT REBATE” MEANS A REBATE ISSUED BY THE ADMINISTRATION UNDER THIS SECTION FOR THE COST OF QUALIFIED ELECTRIC VEHICLE RECHARGING EQUIPMENT.

(3) “QUALIFIED ELECTRIC VEHICLE RECHARGING EQUIPMENT” MEANS PROPERTY IN THE STATE THAT IS USED FOR RECHARGING MOTOR VEHICLES PROPELLED BY ELECTRICITY.

(B) (1) THERE IS AN ELECTRIC VEHICLE RECHARGING EQUIPMENT REBATE PROGRAM.

(2) THE ADMINISTRATION SHALL ADMINISTER THE PROGRAM.

(C) (1) FOR CALENDAR YEARS 2014 THROUGH 2017, SUBJECT TO THE PROVISIONS OF THIS SECTION, AN INDIVIDUAL OR A BUSINESS ENTITY MAY APPLY TO THE ADMINISTRATION FOR AN ELECTRIC VEHICLE RECHARGING EQUIPMENT REBATE FOR THE COSTS OF ACQUIRING AND INSTALLING QUALIFIED ELECTRIC VEHICLE RECHARGING EQUIPMENT.

(2) FOR EACH CALENDAR YEAR, THE TOTAL AMOUNT OF REBATES ISSUED BY THE ADMINISTRATION MAY NOT EXCEED \$600,000.

(3) THE ADMINISTRATION MAY ALLOW AN APPLICANT TO INCLUDE REASONABLE INSTALLATION COSTS IN THE COST OF QUALIFIED ELECTRIC VEHICLE RECHARGING EQUIPMENT FOR THE PURPOSE OF CALCULATING THE AMOUNT OF AN ELECTRIC VEHICLE RECHARGING EQUIPMENT REBATE.

1 **(D) SUBJECT TO SUBSECTION (E) OF THIS SECTION, THE**
2 **ADMINISTRATION MAY ISSUE AN ELECTRIC VEHICLE RECHARGING EQUIPMENT**
3 **REBATE TO:**

4 **(1) AN INDIVIDUAL IN AN AMOUNT EQUAL TO THE LESSER OF:**

5 **(I) 50% OF THE COSTS OF ACQUIRING AND INSTALLING**
6 **QUALIFIED ELECTRIC VEHICLE RECHARGING EQUIPMENT; OR**

7 **(II) \$900; OR**

8 **(2) A BUSINESS ENTITY IN AN AMOUNT EQUAL TO THE LESSER OF:**

9 **(I) 50% OF THE COSTS OF ACQUIRING AND INSTALLING**
10 **QUALIFIED ELECTRIC VEHICLE RECHARGING EQUIPMENT; OR**

11 **(II) \$5,000.**

12 **(E) AN ELECTRIC VEHICLE RECHARGING EQUIPMENT REBATE ISSUED**
13 **UNDER THIS SECTION IS LIMITED TO THE ACQUISITION OF ONE RECHARGING**
14 **SYSTEM PER INDIVIDUAL.**

15 **(F) (1) THE ADMINISTRATION MAY ADOPT REGULATIONS TO CARRY**
16 **OUT THIS SECTION.**

17 **(2) THE REGULATIONS ADOPTED UNDER THIS SUBSECTION MAY**
18 **INCLUDE:**

19 **(I) FURTHER LIMITATIONS ON THE MAXIMUM AMOUNT OF**
20 **AN ELECTRIC VEHICLE RECHARGING EQUIPMENT REBATE THAT MAY BE**
21 **CLAIMED BY AN APPLICANT UNDER SUBSECTION (D) OF THIS SECTION;**

22 **(II) A REQUIREMENT THAT AN APPLICANT DEMONSTRATE**
23 **COMPLIANCE WITH A STATE, LOCAL, OR FEDERAL LAW THAT APPLIES TO THE**
24 **INSTALLATION OR OPERATION OF THE QUALIFIED ELECTRIC VEHICLE**
25 **RECHARGING EQUIPMENT; AND**

26 **(III) ANY ADDITIONAL APPLICATION AND QUALIFICATION**
27 **REQUIREMENTS DEEMED APPROPRIATE BY THE ADMINISTRATION.**

28 9-20B-05.

29 (a) There is a Maryland Strategic Energy Investment Fund.

1 (f) The Administration shall use the Fund:

2 (6) to implement energy-related public education and outreach
3 initiatives regarding reducing energy consumption and greenhouse gas emissions;
4 [and]

5 (7) TO PROVIDE REBATES UNDER THE ELECTRIC VEHICLE
6 RECHARGING EQUIPMENT REBATE PROGRAM ESTABLISHED UNDER § 9-2009
7 OF THIS TITLE; AND

8 [(7)] (8) to pay the expenses of the Program.

9 **Article – Transportation**

10 13–815.

11 (a) In this section, “excise tax” means the tax imposed under § 13–809 of this
12 subtitle.

13 (b) This section applies only to a plug-in electric drive vehicle that:

14 (1) Has not been modified from original manufacturer specifications;

15 (2) Is acquired for use or lease by the taxpayer and not for resale; and

16 (3) Is [titled by the taxpayer] **PURCHASED NEW AND TITLED FOR**
17 **THE FIRST TIME** on or after October 1, 2010, but before July 1, [2014] **2017**.

18 (c) [(1)] Subject to available funding, a credit is allowed against the excise
19 tax imposed for a plug-in electric drive vehicle.

20 [(2)] Subject to the limitations under subsections (d) through (f) of this
21 section, the credit allowed under this section equals 100% of the excise tax imposed for
22 a vehicle.]

23 (d) The credit allowed under this section may not exceed **THE LESSER OF:**

24 [(1)] \$600 for a vehicle with a battery capacity of at least 4.0
25 kilowatt-hours but not more than 10.0 kilowatt-hours;

26 [(2)] \$700 for a vehicle with a battery capacity of at least 10.1
27 kilowatt-hours but not more than 15.0 kilowatt-hours; and

28 [(3)] \$1,000 for a vehicle with a battery capacity of at least 15.0
29 kilowatt-hours.]

1 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
2 July 1, 2014.