

117TH CONGRESS  
1ST SESSION

# H. R. 3303

To amend the Internal Revenue Code of 1986 to reduce the tax credit for new qualified plug-in electric drive motor vehicles by State subsidies for these vehicles.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 18, 2021

Mr. ESTES introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to reduce the tax credit for new qualified plug-in electric drive motor vehicles by State subsidies for these vehicles.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Close the Double Sub-  
5 sidy Loophole for Electric Vehicles Act”.

1 **SEC. 2. QUALIFIED PLUG-IN ELECTRIC VEHICLE TAX CRED-**  
2 **IT REDUCTION IN CONNECTION WITH STATE**  
3 **SUBSIDY.**

4 (a) **IN GENERAL.**—Subsection (f) of section 30D of  
5 the Internal Revenue Code of 1986 is amended by adding  
6 at the end the following:

7 “(8) **REDUCTION FOR STATE SUBSIDIES.**—

8 “(A) **IN GENERAL.**—The amount allowed  
9 as a credit under this section (without regard to  
10 this paragraph) with respect to a vehicle to  
11 which this section applies shall be reduced (but  
12 not below zero) by the amount of any subsidy  
13 in connection with the acquisition or ownership  
14 of the vehicle made available by the State in  
15 which such vehicle is registered and placed in  
16 service by the taxpayer.

17 “(B) **SUBSIDY.**—For purposes of subpara-  
18 graph (A), term ‘subsidy’ means direct or indi-  
19 rect financial assistance, including tax credits  
20 or deductions from taxable income, grants,  
21 loans, rebates, vehicle license tax discounts, and  
22 vouchers.”.

23 (b) **EFFECTIVE DATE.**—The amendment made by  
24 subsection (a) shall apply to property placed in service  
25 after the date of the enactment of this Act.