

# Tax Credit for Qualified Plug-In Electric Vehicles

The Act generally defines qualified plug-in electric vehicles and allows a \$2,000 tax credit against the state motor vehicle excise tax for qualified plug-in electric drive vehicles.

Submitted as:

Maryland

[Chapter 490 of 2010](#)

Status: Enacted into law in 2010.

## Suggested State Legislation

(Title, enacting clause, etc.)

1           Section 1. [*Short Title.*] This Act shall be cited as “An Act to Establish a Credit against  
2 the Motor Vehicle Tax for Qualified Plug-In Electric Vehicles.”

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4           Section 2. [*Definitions.*] As used in this Act:

5           (A) “Excise tax” means the tax imposed under [insert citation].

6           (B) “Qualified plug-in electric drive vehicle” means a motor vehicle that:

7                   (1) Is made by a manufacturer;

8                   (2) Is manufactured primarily for use on public streets, roads, and highways;

9                   (3) Has not been modified from original manufacturer specifications;

10                  (4) Is acquired for use or lease by the taxpayer and not for resale;

11                  (5) Is rated at not more than [8,500] pounds unloaded gross vehicle weight;

12                  (6) Has a maximum speed capability of at least [55] miles per hour;

13                  (7) Is propelled to a significant extent by an electric motor that draws electricity  
14 from a battery that:

15                           a. For a 4-wheeled motor vehicle, has a capacity of not less than [4  
16 kilowatt hours];

17                           b. For a 2-wheeled or 3-wheeled motor vehicle, has a capacity of not less  
18 than [2.5 kilowatt hours]; and

19                           c. Is capable of being recharged from an external source of electricity; and

20                  (8) Is titled by the taxpayer on or after [October 1, 2010], but before [July 1,  
21 2013].

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23           Section 3. [*Tax Credit for Qualified Plug-In Electric Vehicles.*]

24           (A) A credit is allowed against the excise tax imposed for a qualified plug-in electric  
25 vehicle.

26           (B) Subject to the limitations under subsections (C) through (E) of this section, the credit  
27 allowed under this section equals [one hundred percent] of the excise tax imposed for a vehicle.

28           (C) The credit allowed under this section may not exceed [\$2,000].

29           (D) The credit allowed under this section is limited to the acquisition of [one] vehicle per  
30 individual and [ten] vehicles per business entity.

31           (E) A credit may not be claimed under this section:

32                   (1) Unless the vehicle is registered in this state;

33 (2) Unless the manufacturer has already conformed to any applicable state or  
34 federal laws or regulations governing clean-fuel vehicle or electric vehicle purchases applicable  
35 during the calendar year in which the vehicle is titled; or

36 (3) For a vehicle that was originally registered in another state.

37 (F) The [state motor vehicle administration] shall administer the credit under this section.  
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39 Section 4. [*Transfer Funds to Offset Reductions in Revenues from Tax Credit Granted by*  
40 *this Act.*] The following amounts shall be transferred from the state [Strategic Energy Investment  
41 Fund] established under [insert citation] to the state [Transportation Trust Fund] established  
42 under [insert citation] to offset a reduction in revenues from the [Vehicle Excise Tax Credit] for  
43 qualified plug-in electric drive vehicles established under this Act:

44 (1) For [fiscal year 2011], [insert amount];

45 (2) For [fiscal year 2012], [insert amount]; and

46 (3) For [fiscal year 2013], [insert amount].  
47

48 Section 5. [*Severability.*] [Insert severability clause.]  
49

50 Section 6. [*Repealer.*] [Insert repealer clause.]  
51

52 Section 7. [*Effective Date.*] [Insert effective date.]