

# HOUSE BILL 791

R7

(3lr2592)

## ENROLLED BILL

— Ways and Means/Budget and Taxation —

Introduced by **Delegates McHale and Malone**

Read and Examined by Proofreaders:

\_\_\_\_\_  
Proofreader.

\_\_\_\_\_  
Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

\_\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_ o'clock, \_\_\_\_\_ M.

\_\_\_\_\_  
Speaker.

### CHAPTER \_\_\_\_\_

1 AN ACT concerning

#### 2 **Tax Credits – Electric Vehicles – Extensions**

3 FOR the purpose of extending the credit against the State income tax for certain  
4 qualified electric vehicle recharging equipment for certain tax years; providing  
5 for the amount of tax credit certificates that may be issued by the Maryland  
6 Energy Administration; transferring certain money from the Strategic Energy  
7 Investment Fund to the General Fund in certain fiscal years; extending the  
8 credit against the motor vehicle excise tax for certain qualified plug-in electric  
9 drive vehicles for a certain period of time; *altering the amount of credit that*  
10 *certain vehicles may claim*; establishing that the tax credit is subject to  
11 available funding; transferring certain money from the Strategic Energy  
12 Investment Fund to the Transportation Trust Fund in a certain fiscal year;  
13 *altering a certain definition*; and generally relating to the extension of tax  
14 credits relevant to electric vehicles.

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#### EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

*Italics* indicate opposite chamber/conference committee amendments.



1 BY repealing and reenacting, without amendments,  
2 Article – Environment  
3 Section 2–1002(g)(2)  
4 Annotated Code of Maryland  
5 (2007 Replacement Volume and 2012 Supplement)

6 BY repealing and reenacting, without amendments,  
7 Article – State Government  
8 Section 9–20B–05(a) and (e)  
9 Annotated Code of Maryland  
10 (2009 Replacement Volume and 2012 Supplement)

11 BY repealing and reenacting, with amendments,  
12 Article – Tax – General  
13 Section 10–729  
14 Annotated Code of Maryland  
15 (2010 Replacement Volume and 2012 Supplement)

16 BY repealing and reenacting, with amendments,  
17 Article – Transportation  
18 Section 13–815  
19 Annotated Code of Maryland  
20 (2012 Replacement Volume)

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

23 **Article – Environment**

24 2–1002.

25 (g) (2) Not later than June 30, 2007, the Governor shall include the State  
26 as a full participant in the Regional Greenhouse Gas Initiative among Mid–Atlantic  
27 and Northeast states.

28 **Article – State Government**

29 9–20B–05.

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

31 (e) The Fund consists of:

32 (1) all of the proceeds from the sale of allowances under § 2–1002(g) of  
33 the Environment Article;

34 (2) money appropriated in the State budget to the Program;





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

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

5 (v) Is rated at not more than 8,500 pounds unloaded gross  
6 vehicle weight;

7 (vi) Has a maximum speed capability of at least 55 miles per  
8 hour; AND

9 (vii) Is propelled to a significant extent by an electric motor that  
10 draws electricity from a battery that:

11 1. For a 4-wheeled motor vehicle, has a capacity of not  
12 less than 4 kilowatt-hours;

13 2. For a 2-wheeled or 3-wheeled motor vehicle, has a  
14 capacity of not less than 2.5 kilowatt-hours; and

15 3. Is capable of being recharged from an external source  
16 of electricity; ~~and~~

17 ~~(viii) Is titled by the taxpayer on or after October 1, 2010, but~~  
18 ~~before July 1, [2013] 2014.~~

19 (b) **THIS SECTION APPLIES ONLY TO A PLUG-IN ELECTRIC DRIVE**  
20 **VEHICLE THAT IS TITLED BY THE TAXPAYER ON OR AFTER OCTOBER 1, 2010,**  
21 **BUT BEFORE JULY 1, 2014.**

22 (C) (1) [A] **SUBJECT TO AVAILABLE FUNDING,** A credit is allowed  
23 against the excise tax imposed for a qualified plug-in electric drive vehicle.

24 (2) Subject to the limitations under subsections ~~(D)~~ through ~~(F)~~  
25 of this section, the credit allowed under this section equals 100% of the excise tax  
26 imposed for a vehicle.

27 ~~(D)~~ (D) The credit allowed under this section may not exceed ~~\$2,000~~:

28 (1) **\$600 FOR A VEHICLE WITH A BATTERY CAPACITY OF AT LEAST**  
29 **4.0 KILOWATT-HOURS BUT NOT MORE THAN 10.0 KILOWATT-HOURS;**

30 (2) **\$700 FOR A VEHICLE WITH A BATTERY CAPACITY OF AT LEAST**  
31 **10.1 KILOWATT-HOURS BUT NOT MORE THAN 15.0 KILOWATT-HOURS; AND**

1                    **(3) \$1,000 FOR A VEHICLE WITH A BATTERY CAPACITY OF AT**  
2 **LEAST 15.0 KILOWATT-HOURS.**

3            ~~(E)~~ **(E)** The credit allowed under this section is limited to the acquisition of:

4                    (1) One vehicle per individual; and

5                    (2) 10 vehicles per business entity.

6            ~~(F)~~ **(F)** A credit may not be claimed under this section:

7                    (1) For a vehicle unless the vehicle is registered in the State;

8                    (2) Unless the manufacturer has already conformed to any applicable  
9 State or federal laws or regulations governing clean-fuel vehicle or electric vehicle  
10 purchases applicable during the calendar year in which the vehicle is titled; or

11                    (3) For a vehicle that was initially registered in another state.

12            ~~(G)~~ **(G)** The Motor Vehicle Administration shall administer the credit under  
13 this section.

14            SECTION 2. AND BE IT FURTHER ENACTED, That, notwithstanding any  
15 other provision of law, for fiscal years 2016, 2017, and 2018, respectively, the lesser of  
16 \$600,000 or the total amount of credit certificates issued in tax years 2014, 2015, and  
17 2016, respectively, shall be transferred from the Strategic Energy Investment Fund  
18 established under § 9-20B-05 of the State Government Article to the General Fund to  
19 offset a reduction in revenues from the tax credit for electric vehicle recharging  
20 equipment established under § 10-729 of the Tax – General Article as enacted by this  
21 Act.

22            SECTION 3. AND BE IT FURTHER ENACTED, That, notwithstanding any  
23 other provision of law, for fiscal year 2014, the lesser of \$1,287,000 or the actual total  
24 amount of credits allowed against the excise tax shall be transferred from the  
25 Strategic Energy Investment Fund established under § 9-20B-05 of the State  
26 Government Article to the Transportation Trust Fund to offset a reduction in revenues  
27 from the vehicle excise tax credit for qualified plug-in electric drive vehicles under §  
28 13-815 of the Transportation Article as enacted by this Act.

29            SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect  
30 July 1, 2013.