



**The Maryland Department of the Environment**  
**Secretary Serena McIlwain**

***House Bill 216***

***Electric Vehicles – Repeal of Excise Tax Credit and Establishment of Rebate Program***

**Position:** Support

**Committee:** Environment and Transportation

**Date:** February 6, 2025

**From:** Jeremy D. Baker, Director of Government Relations

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The Maryland Department of the Environment (MDE) **SUPPORTS** HB 216.

**Bill Summary**

House Bill 216 would repeal the current electric drive vehicle excise tax credit program and replace it with a point of sale rebate for fiscal year 2027. This rebate program would apply to purchasers of a zero-emission plug-in electric drive vehicle or fuel cell electric vehicle regardless of whether the vehicle is a car or truck, two-wheeled motorcycle or a three-wheeled or autocycle. Rebates range from \$1,000 to \$3,000 amounts depending on the vehicle type purchase.

**Position Rationale**

Maryland currently offers an electric vehicle (EV) excise tax credit, administered through the Maryland Vehicle Administration (MVA) that is provided to the purchaser of a new, qualifying EV after the vehicle is purchased. However, the tax credit does not provide immediate financial assistance to an EV purchaser. HB 216 would allow a purchaser of a zero-emission plug-in electric drive vehicle or fuel cell electric vehicle to obtain a point-of-sale rebate from a qualifying dealer in fiscal year 2027. Establishing a point-of-sale rebate program will lower the upfront cost of purchasing a new EV. The creation of a rebate program for the purchasing of EVs is a strategy identified in MDE's 2023 "*Maryland's Climate Pollution Reduction Plan*" that would help increase the number of EVs operating on Maryland's roadways.

Accordingly, MDE urges a **FAVORABLE** report for HB 216.