

House Bill 1260

By: Representatives Cox of the 105<sup>th</sup>, Cash of the 108<sup>th</sup>, Westmoreland of the 104<sup>th</sup>, Hudgens of the 24<sup>th</sup>, Rice of the 79<sup>th</sup> and others

A BILL TO BE ENTITLED  
AN ACT

1 To amend Article 2 of Chapter 7 of Title 48 of the Official Code of Georgia Annotated,  
2 relating to imposition, rate, and computation of and exemptions from income tax, so as to  
3 change certain provisions relating to income tax credits for low and zero emission vehicles;  
4 to provide an effective date; to provide for applicability; to repeal conflicting laws; and for  
5 other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Article 2 of Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to  
9 imposition, rate, and computation of and exemptions from income tax, is amended by  
10 striking Code Section 48-7-40.16, relating to income tax credits for low and zero emission  
11 vehicles, and inserting in lieu thereof the following:

12 "48-7-40.16.

13 (a) As used in this Code section, the term:

14 (1) 'Alternative fuel' means methanol, denatured ethanol, and other alcohols; mixtures  
15 containing 85 percent or more by volume of methanol, denatured ethanol, and other  
16 alcohols with gasoline or other fuels; natural gas; liquefied petroleum gas; hydrogen; coal  
17 derived liquid fuels; fuels other than alcohol derived from biological materials; and  
18 electricity, including electricity from solar energy.

19 (2) 'Clean fueled vehicle' means a motor vehicle which has been certified by the  
20 Environmental Protection Agency to meet, for any model year, a set of emission  
21 standards that classifies it as a low-emission vehicle or zero emission vehicle.

22 (3) 'Conventionally fueled vehicle' means a motor vehicle which is fueled solely by a  
23 petroleum based fuel such as gasoline or diesel.

24 (4) 'Converted vehicle' means a motor vehicle that is retrofitted so that it is fueled solely  
25 by an alternative fuel and which meets the emission standards set forth for that class of  
26 low-emission vehicles as defined under rules and regulations of the Board of Natural

1 Resources applicable to clean fueled vehicles, as amended, when operating on such  
 2 alternative fuel, or which meets the emission standards set forth for zero emission  
 3 vehicles as defined under rules and regulations of the Board of Natural Resources.

4 (5) 'Low-emission vehicle' means a motor vehicle which is fueled solely by an  
 5 alternative fuel and which meets emission standards as defined under rules and  
 6 regulations of the Board of Natural Resources applicable to clean fueled vehicles  
 7 classified as low-emission vehicles, as amended, when operating on such alternative fuel.

8 (6) 'Motor vehicle' means any self-propelled vehicle designed for transporting persons  
 9 or property on a street or highway that is registered by the ~~Motor Vehicle Division of the~~  
 10 Department of ~~Revenue~~ Motor Vehicle Safety or that meets the requirements of a low  
 11 speed vehicle under 49 C.F.R. Part 571.

12 (7) 'Zero emission vehicle' means a motor vehicle which has zero tailpipe and  
 13 evaporative emissions as defined under rules and regulations of the Board of Natural  
 14 Resources applicable to clean fueled vehicles, as amended, and shall include an electric  
 15 vehicle whose drive train is powered solely by electricity, provided said electricity is not  
 16 provided by any on-board combustion device.

17 (b) A tax credit is allowed against the tax imposed under this article to a taxpayer for the  
 18 purchase or lease on or after January 1, 2001, of a new low-emission vehicle or zero  
 19 emission vehicle that is registered or located in the State of Georgia. The amount of the  
 20 credit shall be \$2,500.00 per new low-emission vehicle and \$5,000.00 per new zero  
 21 emission vehicle.

22 (c) A tax credit is allowed against the tax imposed under this article to a taxpayer for the  
 23 conversion of a conventionally fueled vehicle to a converted vehicle that is registered or  
 24 located in the State of Georgia. The amount of the credit shall be equal to the cost of  
 25 conversion, not to exceed \$2,500.00 per converted vehicle.

26 (d) A tax credit is allowed against the tax imposed under this article to any business  
 27 enterprise for the purchase or lease of each electric vehicle charger that is located in the  
 28 State of Georgia. The amount of the credit shall be \$2,500.00 per charger.

29 (e) The credits granted under this Code section shall be subject to the following conditions  
 30 and limitations:

31 (1) All claims for any credit provided by subsection (b) of this Code section shall be:

32 (A) Accompanied by a certification approved by the Environmental Protection  
 33 Division of the Department of Natural Resources; and

34 (B) Made only by a taxpayer who is the owner of a new clean fueled vehicle, ~~as~~  
 35 ~~evidenced by the certificate of title issued for such vehicle;~~ provided, however, that if  
 36 a new clean fueled vehicle is leased to a taxpayer at retail, the taxpayer who is the

1 lessee shall be entitled to claim the credit; provided, further, that only one taxpayer  
2 shall be eligible to claim any credit provided by subsection (b) of this Code section;

3 (2) All claims for any credit provided by subsection (c) of this Code section must be  
4 accompanied by a certification issued by the Environmental Protection Division of the  
5 Department of Natural Resources;

6 (3) All claims for any credit provided by subsection (d) of this Code section shall be:

7 (A) Accompanied by a certification issued by the seller where the new electric vehicle  
8 charger was purchased or leased; and

9 (B) Made only by a taxpayer who is the ultimate purchaser or lessee of a new electric  
10 vehicle charger at retail;

11 (4) Any credit claimed under this Code section but not used in any taxable year may be  
12 carried forward for five years from the close of the taxable year in which a new clean  
13 fueled vehicle was purchased or leased or a conventionally fueled vehicle was changed  
14 into a converted vehicle, provided that the applicable certification required in  
15 paragraph (1) or ~~2~~ (2) of this subsection accompanies any such claim; and

16 (5) In no event shall the amount of any tax credit provided in this Code section exceed  
17 the taxpayer's income tax liability.

18 (f) The state revenue commissioner shall be authorized to adopt rules and regulations to  
19 provide for the administration of any tax credit provided by this Code section.

20 (g) The Board of Natural Resources shall be authorized to adopt rules and regulations to  
21 provide for:

22 (1) The specific standards and requirements for low-emission vehicles, zero emission  
23 vehicles, and converted vehicles and electric vehicle chargers which shall be consistent  
24 with the terms of this Code section;

25 (2) An approved certification form which certifies the purchase or lease of a new clean  
26 fueled vehicle that is qualified for a tax credit provided by this Code section;

27 (3) The certification of any converted vehicle that is qualified to claim a tax credit  
28 provided by this Code section; and

29 (4) An approved certification form which shall be issued by the seller which certifies the  
30 purchase or lease of a new electric vehicle charger that is qualified for a tax credit  
31 provided by this Code section."

## 32 SECTION 2.

33 This Act shall become effective upon its approval by the Governor or upon its becoming law  
34 without such approval.

1 **SECTION 3.**

2 This Act shall be applicable to all taxable years beginning on or after January 1, 2002.

3 **SECTION 4.**

4 All laws and parts of laws in conflict with this Act are repealed.