

House Bill 176

By: Representative Benton of the 31st

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to
2 income taxes, so as to include more vehicles in the definition of low-emission vehicle; to
3 provide for related matters; to repeal conflicting laws; and for other purposes.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

5 **SECTION 1.**

6 Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to income taxes,
7 is amended by revising Code Section 48-7-40.16, relating to an income tax credit for
8 low-emission vehicles, as follows:

9 "48-7-40.16.

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

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

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

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

21 (4) ~~'Converted vehicle' means a motor vehicle that is retrofitted so that it is fueled solely~~
22 ~~by an alternative fuel and which meets the emission standards set forth for that class of~~
23 ~~low-emission vehicles as defined under rules and regulations of the Board of Natural~~
24 ~~Resources applicable to clean fueled vehicles, as amended, when operating on such~~
25 ~~alternative fuel, or which meets the emission standards set forth for zero emission~~
26 ~~vehicles as defined under rules and regulations of the Board of Natural Resources.~~

27 ~~(5) 'Low-emission vehicle' means a motor vehicle which is fueled solely by an~~
 28 ~~alternative fuel and which meets emission standards as defined under rules and~~
 29 ~~regulations of the Board of Natural Resources applicable to clean fueled vehicles~~
 30 ~~classified as low-emission vehicles, as amended, when operating on such alternative fuel~~
 31 powered in any manner, including, but not limited to, motor vehicles powered solely by
 32 electricity, plug-in hybrids, hydrogen fuel cells, and hybrid electrics, so long as the
 33 vehicle has an Environmental Protection Agency rating of 47 combined miles per gallon
 34 or higher.

35 ~~(6)~~(2) 'Motor vehicle' means any self-propelled vehicle designed for transporting persons
 36 or property on a street or highway that is registered by the Department of Revenue,
 37 except vehicles that are defined as 'low-speed vehicles' in paragraph (25.1) of Code
 38 Section 40-1-1.

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

44 (b) A tax credit is allowed against the tax imposed under this article to a taxpayer for the
 45 purchase or lease of a new low-emission vehicle or ~~zero emission vehicle~~ that is registered
 46 in the State of Georgia. The amount of the credit shall be:

47 ~~(1) For any new low-emission vehicle, 10 percent of the cost of such new low-emission~~
 48 ~~vehicle or \$2,500.00 \$2,000.00, whichever is less; and~~

49 ~~(2) For any new zero emission vehicle, 20 percent of the cost of such vehicle or~~
 50 ~~\$5,000.00, whichever is less.~~

51 ~~(c) A tax credit is allowed against the tax imposed under this article to a taxpayer for the~~
 52 ~~conversion of a conventionally fueled vehicle to a converted vehicle that is registered in~~
 53 ~~the State of Georgia. The amount of the credit shall be equal to 10 percent of the cost of~~
 54 ~~conversion, not to exceed \$2,500.00 per converted vehicle.~~

55 ~~(d)~~(c) A tax credit is allowed against the tax imposed under this article to any business
 56 enterprise for the purchase or lease of each electric vehicle charger that is located in the
 57 State of Georgia. The amount of the credit shall be 10 percent of the cost of the charger
 58 or \$2,500.00, whichever is less.

59 ~~(e)~~(d) The credits granted under this Code section shall be subject to the following
 60 conditions and limitations:

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

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

64 (B) Made only by a taxpayer who is the owner of a new ~~clean fueled~~ low-emission
65 vehicle, as evidenced by the certificate of title issued for such vehicle; provided,
66 however, that if a new ~~clean fueled~~ low-emission vehicle is leased to a taxpayer at
67 retail, the taxpayer who is the lessee shall be entitled to claim the credit; provided,
68 further, that only one taxpayer shall be eligible to claim any credit provided by
69 subsection (b) of this Code section;

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

73 ~~(3)~~ (c) All claims for any credit provided by subsection ~~(d)~~ (c) of this Code section shall be:
74 (A) Accompanied by a certification issued by the seller where the new electric vehicle
75 charger was purchased or leased; and
76 (B) Made only by a taxpayer who is the ultimate purchaser or lessee of a new electric
77 vehicle charger at retail;

78 ~~(4)~~(3) Any credit claimed under this Code section but not used in any taxable year may
79 be carried forward for five years from the close of the taxable year in which a new ~~clean~~
80 ~~fueled~~ low-emission vehicle was purchased or leased ~~or a conventionally fueled vehicle~~
81 ~~was changed into a converted vehicle~~, provided that the applicable certification required
82 ~~in paragraph (1) or (2) of this subsection~~ accompanies any such claim; and

83 ~~(5)~~(4) In no event shall the amount of any tax credit provided in this Code section exceed
84 the taxpayer's income tax liability, and the total amount of tax credits issued under this
85 Code section shall not exceed \$10 million annually; ~~and~~

86 ~~(6) Tax credits authorized in this Code section shall be granted to a taxpayer who~~
87 ~~purchased or leased and placed in service in Georgia a new low-emission vehicle or zero~~
88 ~~emission vehicle, which also is a low-speed vehicle, but only if such low-speed vehicle~~
89 ~~was placed in service during the taxable year ending December 31, 2001. For purposes~~
90 ~~of this paragraph, the term 'low-speed vehicle' means a low-speed vehicle as defined in~~
91 ~~paragraph (25.1) of Code Section 40-1-1. Any claim for such credit must be~~
92 ~~accompanied by a manufacturer's statement of origin issued to a dealer registered in~~
93 ~~Georgia which certifies that the low-speed vehicle was manufactured in compliance with~~
94 ~~those federal motor vehicle safety standards set forth in 49 C.F.R. Section 571.500 and~~
95 ~~in effect on January 1, 2001, as well as any other documentation deemed necessary by~~
96 ~~the commissioner to establish the date that delivery was made and such vehicle was~~
97 ~~placed in service. A taxpayer shall only be eligible to claim such credit with respect to~~
98 ~~a single low-speed vehicle.~~

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

101 ~~(g)~~(f) The Board of Natural Resources shall be authorized to adopt rules and regulations
102 to provide for:

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

106 (2) An approved certification form which certifies the purchase or lease of a new ~~clean~~
107 ~~fueled~~ low-emission vehicle that is qualified for a tax credit provided by this Code
108 section; and

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

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

114 (g) The tax credit contained in this Code section shall be available only to new vehicles
115 powered by hydrogen cell technology after December 31, 2017."

116 **SECTION 2.**

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