House Bill 1067

By: Representatives Parsons of the 44th, Holcomb of the 81st, and Jones of the 25th

A BILL TO BE ENTITLED

AN ACT

To amend Article 2 of Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to imposition, rate, computation, and exemptions from state income taxes, so as to revise a tax credit for electric vehicle chargers; to specify eligible business enterprises; to provide for aggregate caps and sunset provisions; to provide for conditions and limitations; to provide for related matters; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

**SECTION 1.**

Article 2 of Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to imposition, rate, computation, and exemptions from state income taxes, is amended by revising subsections (d) and (e) of Code Section 48-7-40.16, relating to income tax credits for low-emission vehicles, as follows:

"(d)<u>(1)</u> A tax credit is allowed against the tax imposed under this article to any business enterprise<u>, including, but not limited to, businesses engaged in the ownership or operation of industrial, commercial residential, commercial retail, or commercial office real property</u> for the purchase or lease of each electric vehicle charger that is located in the State of Georgia.

<u>(2) Until December 31, 2020, the</u> ~~The~~ amount of the credit shall be 10 percent of the cost of the charger or $2,500.00, whichever is less.

<u>(3) On and after January 1, 2021, and before December 31, 2023, 10 percent of the cost of the charger or $1,500.00, whichever is less; provided, however, that the amount of the credit allowed pursuant to this paragraph to all taxpayers combined shall not exceed $5 million in aggregate in any year.</u>

<u>(4) On and after January 1, 2024, and before December 31, 2027, 10 percent of the cost of the charger or $1,000.00, whichever is less; provided, however, that the amount of the credit allowed pursuant to this paragraph to all taxpayers combined shall not exceed $3 million in aggregate in any year.</u>

(5) On and after January 1, 2028, and before December 31, 2030, 10 percent of the cost of the charger or $500.00, whichever is less; provided, however, that the amount of the credit allowed pursuant to this paragraph to all taxpayers combined shall not exceed $1 million in aggregate in any year.

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

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

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

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

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

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

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

(B) For claims made on or after January 1, 2021, accompanied by certification of preapproval pursuant to paragraph (6) of this subsection if required by the state revenue commissioner; and

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

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

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

(6)(A) A taxpayer desiring to claim a tax credit under the provisions of this Code section shall submit an application to the state revenue commissioner for preapproval of such tax credit. The application for preapproval shall be developed and promulgated by the state revenue commissioner together with any rules or regulations necessary to aid in the administration of this paragraph. The department shall have the authority to require all submissions of applications, correspondence, and notifications related to this paragraph to be made electronically in the manner specified by the department.

(B) Within 45 days of receipt of a properly completed application for preapproval, the state revenue commissioner shall preapprove each application by a taxpayer if a sufficient amount of available tax credits remains under the applicable, annual aggregate limits provided in subsections (b) and (d) of this Code section and notify the taxpayer of preapproval or denial. The state revenue commissioner shall preapprove the tax credits based on the order in which properly completed applications were submitted. In the event that two or more applications were submitted on the same day and the amount of funds available will not be sufficient to fully fund the tax credits requested, the state revenue commissioner shall prorate the available funds between or among such applicants. ~~Tax credits authorized in this Code section shall be granted to a taxpayer who purchased or leased and placed in service in Georgia a new low-emission vehicle or zero emission vehicle, which also is a low-speed vehicle, but only if such low-speed vehicle was placed in service during the taxable year ending December 31, 2001. For purposes of this paragraph, the term 'low-speed vehicle' means a low-speed vehicle as defined in paragraph (25.1) of Code Section 40-1-1. Any claim for such credit must be accompanied by a manufacturer's statement of origin issued to a dealer registered in Georgia which certifies that the low-speed vehicle was manufactured in compliance with those federal motor vehicle safety standards set forth in 49 C.F.R. Section 571.500 and in effect on January 1, 2001, as well as any other documentation deemed necessary by the commissioner to establish the date that delivery was made and such vehicle was placed in service. A taxpayer shall only be eligible to claim such credit with respect to a single low-speed vehicle.~~″

**SECTION 2.**

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