

JAN 28 2009

A BILL FOR AN ACT

RELATING TO A TAX CREDIT FOR THE PURCHASE OF ELECTRIC VEHICLES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Consistent with public policy, the Legislature
2 finds that the use of electric vehicles is in the public
3 interest and promotes the general welfare of the people of this
4 State insofar as it addresses serious concerns for our
5 environment and our State's and nation's dependence on
6 petroleum-based fuels as a source of energy. The Legislature
7 further finds that by encouraging the use of electric vehicles,
8 the State will be reducing its dependence on petroleum-based
9 fuels and addressing environmental impacts caused by petroleum-
10 based fuels. However, because the cost of electric vehicles
11 remains high in relation to motor vehicles that employ more
12 traditional technologies, citizens of this State who might
13 otherwise choose an electric vehicle are forced by economic
14 necessity to continue using motor vehicles that are fueled by
15 more conventional means. Therefore, in order to encourage the
16 use of electric vehicles and reduce the State's dependence on

1 petroleum-based sources of energy, there is hereby created an
2 electric vehicle tax credit.

3 SECTION 2. Chapter 235, Hawaii Revised Statutes, is
4 amended by adding a new section to be appropriately designated
5 and to read as follows:

6 "§235- Credit for electric vehicles. (a) There shall be
7 allowed to each taxpayer subject to the taxes imposed by this
8 chapter, a tax credit that may be claimed for the taxable year
9 in which the credit is properly claimed.

10 (b) The tax credit shall only be available to qualified
11 registered vehicle owners.

12 (c) If the tax credit under this section exceeds the
13 taxpayer's income tax liability for the taxable year or years in
14 which the credit is claimed, the excess of the tax credit over
15 liability may be used as a credit against the taxpayer's income
16 tax liability in subsequent years until exhausted. Every claim,
17 including amended claims, for a tax credit under this section
18 shall be filed on or before the end of the twelfth month
19 following the close of the taxable year for which the credit may
20 be claimed. Failure to comply with the foregoing provision
21 shall constitute a waiver of the right to claim the credit.

1 (d) A taxpayer is eligible to claim the credit against tax
2 provided in this section if the taxpayer purchases a motor
3 vehicle that is presently registered in Hawaii to operate using
4 electricity.

5 (e) The total amount of any credit allowed under this
6 section may not exceed \$.

7 (f) The director of taxation shall prepare any forms that
8 may be necessary to claim a credit under this section. The
9 director may also require the taxpayer to furnish information to
10 ascertain the validity of the claims for credits made under this
11 section and may adopt rules necessary to effectuate the purposes
12 of this section pursuant to chapter 91.

13 (h) As used in this section the term "electric vehicle"
14 means a vehicle powered by electricity, including a vehicle
15 using batteries, photovoltaic cells, a fuel cell, or other
16 portable electrical energy."

17 SECTION 3. New statutory material is underscored.

18 SECTION 4. This Act shall take effect on July 1, 2009.

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SB SMO 09-006
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Report Title:

Tax Credit; Purchase of Electric Cars

Description:

Provides tax credit for the purchase of electric vehicles.

SB SMO 09-006

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