



# Electric Vehicle Incentives

Plug-in electric vehicles offer lower operating costs and cleaner air for all Marylanders. Read below for incentives available to Maryland citizens and businesses that purchase or lease these vehicles. (Revised 9/2020)

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## I. Federal Income Tax Credit

A federal tax credit is available to buyers of new plug-in electric vehicles based on battery capacity and ranges. The credit ranges from **\$2,500 to \$7,500**. For model year 2021, the credit for some vehicles are as follows:

Toyota Prius Prime: **\$4,502**

Chrysler Pacifica, Nissan Leaf, others: **\$7,500**

Note that this credit, which became available in 2009, will begin to phase out once auto manufacturers meet their sales quota. (Tesla and GM have met the sales quota for this tax credit and no longer qualify for any credit)

**To get this credit:** Complete IRS Form 8936, Qualified Plug-in Electric Drive Motor Vehicle Credit and submit with your income tax return. <https://www.irs.gov/pub/irs-pdf/f8936.pdf>

## 2. Maryland Excise Tax Credit

The Maryland excise tax credit expired on June 30<sup>th</sup>, 2020. Legislation to extend and expand the excise tax credit was unable to pass the Maryland General Assembly due to a shortening of the Legislative Session resulting from the outbreak of COVID-19.

## 3. Use of High Occupancy Vehicle (HOV) Lanes

As a driver of a plug-in electric vehicle titled and registered in Maryland, you are allowed to use all HOV lanes in Maryland regardless of the number of passengers provided you obtain and display an HOV permit on the vehicle. The permit will be valid from October 1, 2010 through October 31, 2022.

### HOV lanes in Maryland:

- The I-270 southbound HOV lane extends from I-370 to the Capital Beltway (I-495) in Montgomery County and is operational during the morning peak period from 6:00 a.m. to 9:00 a.m.
- The I-270 northbound HOV lane operates on a 19-mile stretch from the Capital Beltway to MD 121 (Clarksburg Road) and is operational during the evening peak period from 3:30 p.m. to 6:30 p.m.
- The HOV lanes run east and west on a 7.5-mile stretch of US 50 between the Capital Beltway (I-95 / I-495) and US 301 (Crain Highway) in Prince George's County and are in operation 24 hours /day.

**To get this benefit:** Complete Form VR 335 and submit to the Maryland Motor Vehicle Administration then put the decal on your car. Your dealership can assist you with this. [http://www.mva.maryland.gov/\\_resources/docs/VR-335.pdf](http://www.mva.maryland.gov/_resources/docs/VR-335.pdf)

## 4. Rebates for Charging Stations

Plug-in electric vehicles can be charged through regular 120-volt household electrical outlets (known as Level 1 charging), 240-volt systems (Level 2 charging) and higher voltage DC Fast Charge stations. Rebates are available for all of these charging systems and cover 40 percent of the equipment and installation cost up to a limit (\$700 for residential and \$4,000 for commercial) for systems purchased and installed between July 1, 2020 and June 30, 2021. Maryland's utility companies also offer their customers rebates of up to \$300 for certain Level 2 residential chargers.

**To get the state rebate:** Complete the Electrical Vehicle Supply Equipment (EVSE) rebate forms on the Maryland Energy Administration website. [http://energy.maryland.gov/transportation/Pages/incentives\\_evse rebate.aspx](http://energy.maryland.gov/transportation/Pages/incentives_evse rebate.aspx)

Grants are also available for solar photovoltaic canopies installed at parking garages where the array is charging at least four electric vehicle charging stations.

**To get the parking lot solar PV charging station grant:** Complete the forms on the Maryland Energy Administration website: <http://energy.maryland.gov/business/Pages/incentives/PVEVprogram.aspx>

**To get utility rebates:** Visit the EVSmart page on your utility's website to learn which charging systems are covered and to complete the form.