EV Purchase Incentives

Anne Blair, Senior Policy Manager
The Electrification Coalition (EC) is a nonpartisan, not-for-profit organization committed to promoting policies and actions that facilitate the deployment of electric vehicles on a mass scale in order to combat economic, environmental, and national security dangers caused by our dependence on oil.
Electrification Coalition
State Policy Accelerator

• Drive deep dive action in priority states: Virginia, Pennsylvania, North Carolina, Michigan, Nevada, Georgia, Florida, Illinois, Indiana, Ohio, Wisconsin

• Policy blueprints, toolkits, bootcamps, deployment

• Provide rapid response to legislative, regulatory and other opportunities in additional states

• Support technical assistance for states in partnership with organizations involved in regional and multi-state efforts
EV Registrations by State
Overview of State EV Incentives

- Rebates or Grants – 3 states (CA, OR, WI)
- Loans – 2 states (HI, ME)
- Rebate – 11 states (CA, CT DE, MA, MD, ME, NJ, NY, OR, PA, VT)
- Sales Tax Exemption – 3 states (WA, NJ & DC)
- Assignable Income Tax Credit – 1 state (CO)
- Income Tax Credit – (*expired - GA, LA)

Source: Atlas Public Policy
Colorado & Oregon EV Incentives

Colorado Plug In Electric Vehicle Tax Credit

- Applies to purchased, leased, or converted vehicles.
- Expires January 1, 2026.

<table>
<thead>
<tr>
<th>Category</th>
<th>2021-2022</th>
<th>2023-2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>Light-duty PEV</td>
<td>$2,500 for purchase or conversion; $1,500 for lease</td>
<td>$2,000 for purchase; $1,500 for lease</td>
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<tr>
<td>Light-duty electric truck</td>
<td>3,500 for purchase or conversion; $1,750 for lease</td>
<td>$2,800 for purchase; $1,750 for lease</td>
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<tr>
<td>Medium-duty electric truck</td>
<td>$5,000 for purchase or conversion; $2,500 for lease</td>
<td>$4,000 for purchase; $2,500 for lease</td>
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<tr>
<td>Heavy-duty electric truck</td>
<td>$10,000 for purchase or conversion; $5,000 for lease</td>
<td>$8,000 for purchase; $5,000 for lease</td>
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</tbody>
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Oregon Charge Ahead Plug-In Electric Vehicle Rebate

- $5,000 rebate for the purchase or lease of a new or used PEV for
- Offered to low- and medium-income Oregon residents (households with income levels that do not exceed 400% of the federal poverty line.)
- Charge Ahead Rebate Program
• Electric Vehicle (EV) Rebate Program – Point of Sale: $750
• Clean Vehicle Rebate Project (CVRP) – Purchase or Lease - $2000 for all electric vehicles; $1000 for plug-in hybrids
• Used Battery-Electric Vehicle (BEV) Rebate - Alameda Municipal Power (AMP) - $1500
6.5% tax exemption
Apply to the sale or lease of new or used passenger vehicles, light-duty trucks, and medium-duty passenger AFVs
Value must be less than $45K for new vehicles & $30K for used vehicles
Georgia EV Tax Credit

- $5000 for purchase or lease
- 2000-2015
- Repealed in 2015
Addressing Equity

Vehicle eligibility:
- MSRP caps
- Used vehicles

Consumer eligibility:
- Income qualifications

Access:
- Point of sale, rebate, exemptions
- Tax liability criteria
- Lease or Purchase
Federal EV Incentives and the Build Back Better Act

Federal EV tax credit (now 36C) – Long term extension
- Shall not exceed 50% of the purchase price of the vehicle,
- Limited to 1 per taxpayer per taxable year.
- $4000, plus an additional $3500 based on battery capacity.
- An additional credit amount of $4500 for domestic assembly + $500 if the EV meets domestic content qualifications.
- Income limitations - the credit is reduced by $200 for each $1000 by which the lesser of the taxpayer’s modified AGI for the taxable year or the preceding taxable year exceeds the threshold amount of $500k not $800k filing jointly / $375 not $600Khead of household / $250 not $400k other cases;
- MSRP caps: Vans - $80k, SUVs - $80k, pick-up trucks $80k, other vehicles $55k.
- Extended until Dec. 31, 2031

New Used EV credit
- $2000 plus a supplemental credit amount = to $2000 if the vehicle is placed in service before Jan. 1, 2027. Battery capacity restrictions
- Must not exceed 50% of the sale price of the EV
- Must be at least 2 years old and MSRP must not be above $25k.
- Expires Dec. 31, 2031

New commercial EV credit
- Equal to 30% of the cost of such vehicle.
- Tax-exempt entities have the option of electing to receive direct payments
EV Registration Fees

• Only 1.29% of light-duty vehicles sold are EVS

• Even with rapid EV adoption, EV fees would only generate 0.3% of state revenue for highway funding

• Considering 29% of state revenue for highway funding comes from state gas taxes, alternate funding mechanisms must be considered to meet the gap that will eventually be left by fuel taxes
Thank you!

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ElectrificationCoalition.org
EV Growth (2011-2021)