

**A-Engrossed**  
**House Bill 3253**

Ordered by the House April 23  
Including House Amendments dated April 23

Sponsored by Representative NATHANSON; Representatives BAILEY, BARKER, BOONE, CANNON, CLEM, DEMBROW, C EDWARDS, D EDWARDS, GALIZIO, GARRETT, HOLVEY, MAURER, SCHAUFLER, J SMITH, STIEGLER, Senators PROZANSKI, WALKER

**SUMMARY**

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Establishes tax credit for plug-in electric drive motor vehicles.  
Applies to tax years beginning on or after January 1, 2010.

**A BILL FOR AN ACT**

Relating to plug-in electric drive motor vehicle tax credit.

**Be It Enacted by the People of the State of Oregon:**

**SECTION 1. Section 2 of this 2009 Act is added to and made a part of ORS chapter 315.**

**SECTION 2. (1) As used in this section:**

(a) **"Manufacturer" means a person engaged in the business of manufacturing plug-in electric drive motor vehicles.**

(b) **"Plug-in electric drive motor vehicle" means a motor vehicle, as defined in ORS 801.360, that draws propulsion solely from an onboard battery system.**

(c) **"Traction battery capacity" means capacity of a traction battery measured in kilowatt-hours from a 100 percent state of charge to a zero percent state of charge.**

**(2) A credit against the taxes otherwise due under ORS chapter 316 or, if the taxpayer is a corporation, under ORS chapter 317 or 318 is allowed to a taxpayer for expenses related to the purchase of a maximum of five plug-in electric drive motor vehicles during the tax year. The taxpayer must be the owner of the plug-in electric drive motor vehicles. To qualify for the credit allowed under this section, a plug-in electric drive motor vehicle must:**

(a) **Draw propulsion solely using traction batteries with at least four kilowatt-hours of traction battery capacity;**

(b) **Employ an off-board source of energy to recharge the traction batteries;**

(c) **Have a maximum speed of at least 35 miles per hour;**

(d) **Have been assembled in this state;**

(e) **Have been first used by the taxpayer claiming the tax credit under this section;**

(f) **Have been acquired for use or lease, but not for resale, by the taxpayer claiming the credit under this section; and**

(g) **Have been manufactured by a manufacturer.**

**(3) A credit under this section shall be allowed for an otherwise qualified vehicle that has only three wheels.**

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 (4) Prior to claiming the credit allowed under this section, a taxpayer must receive cer-  
2 tification as provided under section 3 of this 2009 Act.

3 (5) The amount of a tax credit available to a taxpayer under this section for each plug-in  
4 electric drive motor vehicle is \$417 for each kilowatt-hour of traction battery capacity in  
5 excess of four kilowatt-hours plus \$2,500.

6 (6) Notwithstanding subsection (5) of this section, the amount of a tax credit available  
7 to a taxpayer under this section may not exceed \$5,000 per vehicle.

8 (7) The credit allowed under this section may not exceed the tax liability of the taxpayer  
9 for the tax year in which the credit is claimed.

10 (8) Any tax credit otherwise allowable under this section that is not used by the taxpayer  
11 in a particular tax year may be carried forward and offset against the taxpayer's tax liability  
12 for the next succeeding tax year. Any credit remaining unused in the next succeeding tax  
13 year may be carried forward and used in the second succeeding tax year, and likewise any  
14 credit not used in that second succeeding tax year may be carried forward and used in the  
15 third succeeding tax year, and any credit not used in that third succeeding tax year may be  
16 carried forward and used in the fourth succeeding tax year, but may not be carried forward  
17 for any tax year thereafter.

18 (9) A taxpayer claiming a tax credit under this section for a plug-in electric drive motor  
19 vehicle may not claim a tax credit under ORS 316.116 for the same plug-in electric drive  
20 motor vehicle.

21 **SECTION 3.** (1) A taxpayer may apply to the State Department of Energy for certification  
22 of a plug-in electric drive motor vehicle to allow the taxpayer to claim the credit allowed  
23 under section 2 of this 2009 Act.

24 (2) The application must be made in writing in a form prescribed by the department and  
25 must contain information requested by the department.

26 **SECTION 4.** Sections 2 and 3 of this 2009 Act apply to tax years beginning on or after  
27 January 1, 2010.