

SENATE BILL 788

Q3, R2

4lr2022

By: **Senators Ramirez and Manno**

Introduced and read first time: January 31, 2014

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax Credit – Electric Vehicle Recharging Equipment – Retail Service**
3 **Station Dealers**

4 FOR the purpose of increasing the percentage of the cost of certain electric vehicle
5 recharging equipment that a retail service station dealer may claim as an
6 income tax credit; increasing the maximum amount of credit a retail service
7 station dealer may claim for each individual recharging system to a certain
8 amount; making conforming changes; defining a certain term; providing for the
9 application of this Act; and generally relating to increasing the electric vehicle
10 recharging equipment tax credit for retail service station dealers.

11 BY repealing and reenacting, without amendments,
12 Article – Business Regulation
13 Section 10–101(k)
14 Annotated Code of Maryland
15 (2010 Replacement Volume and 2013 Supplement)

16 BY repealing and reenacting, with amendments,
17 Article – Tax – General
18 Section 10–729
19 Annotated Code of Maryland
20 (2010 Replacement Volume and 2013 Supplement)

21 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
22 MARYLAND, That the Laws of Maryland read as follows:

23 **Article – Business Regulation**

24 10–101.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (k) "Retail service station dealer" means a person who operates a retail place
2 of business where motor fuel is sold and delivered into the fuel supply tanks of motor
3 vehicles.

4 **Article – Tax – General**

5 10–729.

6 (a) (1) In this section the following words have the meanings indicated.

7 (2) "Administration" means the Maryland Energy Administration.

8 (3) "Qualified electric vehicle recharging equipment" means property
9 used for the recharging of motor vehicles propelled by electricity that meets the
10 definition of "qualified alternative fuel vehicle refueling property" in § 30C of the
11 Internal Revenue Code.

12 **(4) "RETAIL SERVICE STATION DEALER" HAS THE MEANING**
13 **STATED IN § 10–101(K) OF THE BUSINESS REGULATION ARTICLE.**

14 (b) (1) **[For] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS**
15 **SUBSECTION, FOR** tax years 2011 through 2016 only, an individual or corporation
16 that receives an initial credit certificate under subsection (d) of this section from the
17 Administration may claim a credit against the State income tax for a taxable year in
18 an amount equal to 20% of the cost of any qualified electric vehicle recharging
19 equipment placed in service by the taxpayer during the taxable year.

20 **(2) A RETAIL SERVICE STATION DEALER THAT RECEIVES AN**
21 **INITIAL CREDIT CERTIFICATE UNDER SUBSECTION (D) OF THIS SECTION FROM**
22 **THE ADMINISTRATION MAY CLAIM A CREDIT AGAINST THE STATE INCOME TAX**
23 **FOR A TAXABLE YEAR IN AN AMOUNT EQUAL TO 50% OF THE COST OF ANY**
24 **QUALIFIED ELECTRIC VEHICLE RECHARGING EQUIPMENT PLACED IN SERVICE**
25 **BY THE RETAIL SERVICE STATION DEALER DURING THE TAXABLE YEAR.**

26 (c) (1) **[For] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS**
27 **SUBSECTION, FOR** any taxable year, the credit allowed under this section may not
28 exceed the lesser of:

29 (i) \$400 for each individual recharging system; or

30 (ii) the State income tax for that taxable year.

31 **(2) FOR A RETAIL SERVICE STATION DEALER, THE CREDIT**
32 **ALLOWED UNDER THIS SECTION FOR ANY TAXABLE YEAR MAY NOT EXCEED THE**
33 **LESSER OF:**

1 **(I) \$1,000 FOR EACH INDIVIDUAL RECHARGING SYSTEM;**
2 **OR**

3 **(II) THE STATE INCOME TAX FOR THAT TAXABLE YEAR.**

4 **[(2)](3)** The unused amount of the credit for any taxable year may
5 not be carried over to any other taxable year.

6 (d) (1) **(I) [On] EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF**
7 **THIS PARAGRAPH, ON** application by a taxpayer, the Administration shall issue an
8 initial credit certificate in an amount equal to 20% of the estimated cost of the
9 qualified electric vehicle recharging equipment to be placed in service in the State by
10 the taxpayer during the taxable year.

11 **(II) ON APPLICATION BY A RETAIL SERVICE STATION**
12 **DEALER, THE ADMINISTRATION SHALL ISSUE AN INITIAL CREDIT CERTIFICATE**
13 **IN AN AMOUNT EQUAL TO 50% OF THE ESTIMATED COST OF THE QUALIFIED**
14 **ELECTRIC VEHICLE RECHARGING EQUIPMENT TO BE PLACED IN SERVICE IN**
15 **THE STATE BY THE RETAIL SERVICE STATION DEALER DURING THE TAXABLE**
16 **YEAR.**

17 (2) The initial credit certificate issued under this subsection shall
18 state the maximum amount of credit that may be claimed by the taxpayer.

19 (3) The credit allowed under this section is limited to the acquisition
20 of:

21 (i) 1 recharging system per individual; and

22 (ii) 30 recharging systems per business entity.

23 (4) The Administration may issue total credit certificates not to exceed
24 the following amounts:

25 (i) for tax year 2011, \$400,000;

26 (ii) for tax year 2012, \$500,000; and

27 (iii) for tax years 2013 through 2016, inclusive, \$600,000 each
28 tax year.

29 (5) On January 1, 2012, and each year the credit is authorized, the
30 Administration shall provide to the Comptroller a list of all taxpayers in the prior tax
31 year that have been issued an initial credit certificate and shall specify for each
32 taxpayer the maximum amount of credit allowed.

1 (6) (i) The Administration may adopt regulations to administer the
2 initial credit certificate required under this subsection.

3 (ii) The regulations adopted by the Administration may include
4 a further limit on the maximum amount of credit that may be claimed by the taxpayer.

5 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
6 July 1, 2014, and shall be applicable to all taxable years beginning after December 31,
7 2013.