

This does not constitute tax advice. All persons considering use of available incentives should consult with their own tax professional to determine eligibility, specific amount of benefit available, if any, and further details.

STATE OF GEORGIA

Income Tax Credit for Electric Vehicle Charging Equipment

Short Description: Tax credit of 10% of the cost of electric vehicle charging equipment, up to a maximum of \$2,500, allowed against the tax imposed on a business enterprise

Beneficiary: Business enterprise purchasing qualified electric vehicle charging equipment located in the State of Georgia

Type of Incentive: Non-refundable income tax credit

Effective Dates: Current benefit, no sunset date

Value of Benefit: Income tax credit for business enterprises of 10% of the cost of purchasing electric vehicle charging equipment, up to a maximum credit of \$2,500. To claim the credit the purchaser must receive a certificate from the seller of the charger. The credit is claimed on the Georgia "Electric Vehicle Charger Certification Form for State Tax Credit" (reproduced below). Any portion of the credit not used in the year the AFV is purchased or leased may be carried over for up to five additional taxable years. (48-7-40.16(e)(4))

Full Description:

A tax credit is allowed against the tax imposed to any business enterprise for the purchase or lease of each electric vehicle charger that is located in the State of Georgia. The amount of the credit shall be 10 percent of the cost of the charger or \$2,500, whichever is less (48-7-40.16(d)). Any unused credits may be carried forward five years.

All claims for this credit should be accompanied by a certification issued by the seller where the new electric vehicle charger was purchased or leased, and made only by the taxpayer who is the ultimate purchaser or lessee of a new electric vehicle charger at retail (48-7-40.16(e)(3)).

State Statutory references:

Georgia Statute 48-7-40.16(d)

- <http://www.lexis-nexis.com/hottopics/gacode/default.asp> (reproduced below)

Other Link(s):

- <http://www.afdc.energy.gov/afdc/laws/law/GA/5182> (AFDC website)

Contact Info: Georgia Department of Revenue Tax Division: 1-404-417-2400

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§ 48-7-40.16 -- Low—emission vehicles; tax credit.

(a) As used in this Code section, the term:

- (1) "Alternative fuel" means methanol, denatured ethanol, and other alcohols; mixtures containing 85 percent or more by volume of methanol, denatured ethanol, and other alcohols with gasoline or other fuels; natural gas; liquefied petroleum gas; hydrogen; coal derived liquid fuels; fuels other than alcohol derived from biological materials; and electricity, including electricity from solar energy.
- (2) "Clean fueled vehicle" means a motor vehicle which has been certified by the Environmental Protection Agency to meet, for any model year, a set of emission standards that classifies it as a low-emission vehicle or zero emission vehicle.
- (3) "Conventionally fueled vehicle" means a motor vehicle which is fueled solely by a petroleum based fuel such as gasoline or diesel.
- (4) "Converted vehicle" means a motor vehicle that is retrofitted so that it is fueled solely by an alternative fuel and which meets the emission standards set forth for that class of low-emission vehicles as defined under rules and regulations of the Board of Natural Resources applicable to clean fueled vehicles, as amended, when operating on such alternative fuel, or which meets the emission standards set forth for zero emission vehicles as defined under rules and regulations of the Board of Natural Resources.
- (5) "Low-emission vehicle" means a motor vehicle which is fueled solely by an alternative fuel and which meets emission standards as defined under rules and regulations of the Board of Natural Resources applicable to clean fueled vehicles classified as low-emission vehicles, as amended, when operating on such alternative fuel.
- (6) "Motor vehicle" means any self-propelled vehicle designed for transporting persons or property on a street or highway that is registered by the Department of Revenue, except vehicles that are defined as "low-speed vehicles" in paragraph (25.1) of Code Section 40-1-1 .
- (7) "Zero emission vehicle" means a motor vehicle which has zero tailpipe and evaporative emissions as defined under rules and regulations of the Board of Natural Resources applicable to clean fueled vehicles, as amended, and shall include an electric vehicle whose drive train is powered solely by electricity, provided said electricity is not provided by any on-board combustion device.

(b) A tax credit is allowed against the tax imposed under this article to a taxpayer for the purchase or lease of a new low-emission vehicle or zero emission vehicle that is registered in the State of Georgia. The amount of the credit shall be:

- (1) For any new low-emission vehicle, 10 percent of the cost of such vehicle or \$2,500.00, whichever is less; and
- (2) For any new zero emission vehicle, 20 percent of the cost of such vehicle or \$5,000.00, whichever is less.

(c) A tax credit is allowed against the tax imposed under this article to a taxpayer for the conversion of a conventionally fueled vehicle to a converted vehicle that is registered in the State of Georgia. The amount of the credit shall be equal to 10 percent of the cost of conversion, not to

exceed \$2,500.00 per converted vehicle.

(d) A tax credit is allowed against the tax imposed under this article to any business enterprise for the purchase or lease of each electric vehicle charger that is located in the State of Georgia. The amount of the credit shall be 10 percent of the cost of the charger or \$2,500.00, whichever is less.

(e) The credits granted under this Code section shall be subject to the following conditions and limitations:

- (1)** All claims for any credit provided by subsection (b) of this Code section shall be:
 - (A)** Accompanied by a certification approved by the Environmental Protection Division of the Department of Natural Resources; and
 - (B)** Made only by a taxpayer who is the owner of a new clean fueled vehicle, as evidenced by the certificate of title issued for such vehicle; provided, however, that if a new clean fueled vehicle is leased to a taxpayer at retail, the taxpayer who is the lessee shall be entitled to claim the credit; provided, further, that only one taxpayer shall be eligible to claim any credit provided by subsection (b) of this Code section;
- (2)** All claims for any credit provided by subsection (c) of this Code section must be accompanied by a certification issued by the Environmental Protection Division of the Department of Natural Resources;
- (3)** All claims for any credit provided by subsection (d) of this Code section shall be:
 - (A)** Accompanied by a certification issued by the seller where the new electric vehicle charger was purchased or leased; and
 - (B)** Made only by a taxpayer who is the ultimate purchaser or lessee of a new electric vehicle charger at retail;
- (4)** Any credit claimed under this Code section but not used in any taxable year may be carried forward for five years from the close of the taxable year in which a new clean fueled vehicle was purchased or leased or a conventionally fueled vehicle was changed into a converted vehicle, provided that the applicable certification required in paragraph (1) or (2) of this subsection accompanies any such claim;
- (5)** In no event shall the amount of any tax credit provided in this Code section exceed the taxpayer's income tax liability; and
- (6)** Tax credits authorized in this Code section shall be granted to a taxpayer who purchased or leased and placed in service in Georgia a new low-emission vehicle or zero emission vehicle, which also is a low-speed vehicle, but only if such low-speed vehicle was placed in service during the taxable year ending December 31, 2001. For purposes of this paragraph, the term "low-speed vehicle" means a low-speed vehicle as defined in paragraph (25.1) of Code Section 40- 1-1. Any claim for such credit must be accompanied by a manufacturer's statement of origin issued to a dealer registered in Georgia which certifies that the low-speed vehicle was manufactured in compliance with those federal motor vehicle safety standards set forth in 49 C.F.R. Section 571.500 and in effect on January 1, 2001, as well as any other documentation deemed necessary by the commissioner to establish the date that delivery was made and such vehicle was placed in service. A taxpayer shall only be eligible to claim such credit with respect to a single low-speed vehicle.

(f) The state revenue commissioner shall be authorized to adopt rules and regulations to provide for the administration of any tax credit provided by this Code section.

(g) The Board of Natural Resources shall be authorized to adopt rules and regulations to provide for:

- (1)** The specific standards and requirements for low-emission vehicles, zero emission vehicles, and converted vehicles and electric vehicle chargers which shall be consistent with the terms of this Code section;
- (2)** An approved certification form which certifies the purchase or lease of a new clean fueled vehicle that is qualified for a tax credit provided by this Code section;
- (3)** The certification of any converted vehicle that is qualified to claim a tax credit provided

by this Code section; and

(4) An approved certification form which shall be issued by the seller which certifies the purchase or lease of a new electric vehicle charger that is qualified for a tax credit provided by this Code section.

(§ 48-7-40.16 enacted by L. 1998, Act 982, § 1; amended by L. 2000, Act 741, § 1; L. 2001, Act 26, § 1; L. 2002, Act 500, § 1; Act 501, §§ 14, 15; L. 2003, Act 343, § 6; L. 2005, Act 68, § 29-5.)

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Georgia Department of Natural Resources

Environmental Protection Division

Mobile and Area Source Program - Low Emissions Vehicle Certification

4244 International Parkway, Suite 136, Atlanta, Georgia 30354

Chris Clark, Commissioner

Carol A. Couch, Ph.D., Director

(404)363-7028

LEV/ZEV and Electric Vehicle Charger Tax Credit Fact Sheet

The State of Georgia is offering the following tax credits:

1. Alternative Fuel Low-Emission Vehicle (LEV): the allowable credit is the lesser of 10% of the vehicle cost or \$2,500 for the purchase or lease of a new low-emission vehicle that is fueled solely by an alternative fuel.
2. Converted Vehicle: Lesser of 10% of the conversion cost or \$2,500 tax credit for a vehicle to be converted to run solely on an alternative fuel and meets the standards for a low-emission vehicle.
3. Zero Emission Vehicle (ZEV): the lesser of 20% of the vehicle cost or \$5,000 tax credit is allowed for the purchase or lease of a new zero emission vehicle provided the vehicle does not receive its electricity from an on-board combustion device.
4. Electric Vehicle Charger: the lesser of 10% of the vehicle cost or \$2,500 tax credit is allowed for the purchase and installation of qualified electric vehicle charger. This tax credit applies only to business enterprises.

Any of these tax credits that are claimed but that are not used in any taxable year may be carried forward for five years from the close of the taxable year in which the vehicles were purchased or converted. In no event shall the amount of any of these tax credits exceed the taxpayer's income tax liability.

The Georgia Environmental Protection Division (EPD) is responsible for issuing certificates for qualified vehicles, conversions, and chargers. The certificate is used as verification that the taxpayer purchased/leased a qualified LEV or ZEV, properly converted a vehicle, or purchased and installed a qualified electric vehicle charger. The certificates are to be sent in with the taxpayer's income tax return in order to qualify for the tax credits. The Department of Revenue is responsible for approving and issuing the tax credit.

LEV, ZEV, and Conversion General Facts

1. Tax credit available beginning January 1, 2001.
2. No sunset provision (However, the state legislature can amend the tax code.).
3. Vehicles must be powered solely fueled by an alternative fuel. (Note: hybrid electric, flex fuel, and bi-fuel vehicles do **not** qualify)
4. Vehicles that qualify for the LEV tax credit typically include vehicles solely powered by natural gas or propane: Natural gas examples include the Honda Civic GX and GMC 2500 series pickups; A propane example includes the GMC medium duty truck.
5. Vehicles that qualify for the ZEV tax credit typically include full size electric vehicles.
6. Vehicles must be registered in Georgia.

7. Systems that convert a gasoline or diesel vehicle to an alternative fuel must be certified by the manufacturer to allow the vehicle to meet at a minimum low emission vehicle standards and the gasoline/diesel fuel system must be disabled or completely removed from the vehicle.

Electric Vehicle Charger General Facts

1. Tax credits are allowed only for business enterprises which include any business engaged in manufacturing, warehousing and distribution, processing, telecommunications, tourism, and research and development. (Such term shall not include retail businesses.)
2. The charger must be rated greater than 130 volts and must be designed to charge on-road vehicles.
3. The charger must be installed in Georgia for a minimum of five consecutive years.
4. The charger must be located for and allowed public access.

To Receive Your Specific Tax Credit

1. Obtain LEV/ZEV, Conversion, or Electric Vehicle Charger Certification Form(s) from your dealer or EPD.
2. Complete the Certification Form(s) and send the original(s) to EPD along with copies of the following documents to EPD: (a) Bill of sale in the name of the taxpayer claiming the credit and (b) tag receipt (only for vehicles) or (c) Manufacturer Statement/Certificate of Origin (only for new vehicles). Vehicles that have been converted need to include a copy of the certificate of conformity from the manufacturer stating that the conversion will allow the vehicle to meet at a minimum LEV standards. The form(s) and documents should be sent to the attention to:

3.

Attention: James Udi
Georgia Environmental Protection Division
4244 International Pkwy., Suite 136
Atlanta, Georgia 30354

3. EPD will review the completed form(s) and documents. If all of the requirements have been met, EPD will sign the form(s) and send it back to the taxpayer.
4. The taxpayer should attach the original approved Certification Form(s) to their Georgia Income Tax Return (Form 500) or Georgia Amended Tax Return (Form 500 X). Schedule 2 of the 500 form should reflect the amount of the anticipated credit (not to exceed your current year's tax liability). **Omission of the original Certificate Form(s) will result in the credit claimed being disallowed.**

For more information about qualified alternative fueled LEV's or about the LEV certificate form, please contact EPD at (404) 363-7028.

For more information about how to obtain your tax credit once you have received your completed LEV certificate form, please contact the Georgia Department of Revenue at (404) 417-2441.

EVC-_____

Georgia Department of Natural Resources

Environmental Protection Division
Mobile and Area Source Program - LEV Certification
4244 International Parkway, Suite 136, Atlanta, Georgia 30354
Mark Williams, Commissioner
F. Allen Barnes, Director
(404) 363-7028

Electric Vehicle Charger (EVC) Certification Form For State Tax Credit

The following electric vehicle charger:

| | |
|-----------------|-------------------------|
| [Manufacturer] | [Model] |
| [Serial Number] | [Seller (Company Name)] |

was installed at the following location:

| | | | |
|--------------------------|-------------------------|-----------------------|-------|
| [Date Installed] | [Installation Location] | [Phone # At Location] | |
| [Address] | [City] | [State] | [Zip] |
| [Installed by (Company)] | [Company Contact] | [Phone #] | |

and was purchased by _____ (Company Name):

| | | | |
|-------------------|--------------|-----------|---------------------|
| [Company Contact] | [Total Cost] | [Phone #] | [E-mail (optional)] |
| [Address] | [City] | [State] | [Zip] |

Under penalty of Georgia law, I hereby certify that the above-contained information is true and accurate to the best of my knowledge. I acknowledge that EPD will not accept this form unless it is completed, signed, and dated below.

| | | |
|----------------------------------|-------------|--------|
| [Company Representative (print)] | [Signature] | [Date] |
|----------------------------------|-------------|--------|

| | | |
|-----------------------|------------------|------|
| EPD APPROVAL | For EPD Use Only | |
| EPD Associate (Print) | Signature | Date |