

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

## **An Act To Protect the Environment through Promoting the Use of Clean Fuel Vehicles**

**Be it enacted by the People of the State of Maine as follows:**

**Sec. 1. 36 MRSA §5219-DD** is enacted to read:

### **§ 5219-DD. Clean fuel vehicle**

**1. Definition.** As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. The term "clean fuel" means any product or energy source used to propel motor vehicles, as defined in Title 29-A, section 101, other than conventional gasoline, diesel or reformulated gasoline that, when compared to conventional gasoline, diesel or reformulated gasoline, results in lower emissions of oxides of nitrogen, volatile organic compounds, carbon monoxide or particulates or any combination of these. "Clean fuel" includes, but is not limited to, compressed natural gas; liquefied natural gas; liquefied petroleum gas; hydrogen; hythane, which is a combination of compressed natural gas and hydrogen; dynamic flywheels; solar energy; alcohol fuels containing not less than 85% alcohol by volume; and electricity.

**2. Credit allowed.** A taxpayer is allowed a credit against the tax imposed by this Part in the amount of \$2,000 for the purchase during the tax year of a motor vehicle powered by clean fuel.

**3. Limitation; carry-over.** The credit allowed under subsection 2 may not reduce the tax otherwise due under this Part below zero. Any unused portion of the credit may be carried over to the following year or years until exhausted.

**4. Funding.** By June 15th annually, the State Tax Assessor shall determine the total amount of credits granted under this section and certify that amount to the State Controller who shall, before the end of the fiscal year, transfer that amount from the Energy and Carbon Savings Trust Fund established under Title 35-A, section 10008, subsection 2, to the General Fund.

### **SUMMARY**

This bill provides an income tax credit for the purchase of a clean fuel vehicle. It provides that the revenue loss from the credit will be reimbursed from the Energy and Carbon Savings Trust Fund.