



West Virginia's new alternative-fuel vehicles and infrastructure tax credit

For alternative-fuel vehicles:

Through 2022 for vehicles **under 26,000 pounds:**

- 35 percent against purchase price to a maximum of \$7,500
- 50 percent against conversion costs to a maximum of \$7,500

Through 2022 for vehicles **over 26,000 pounds:**

- 35 percent against purchase price to a maximum of \$25,000
- 50 percent against conversion costs to a maximum of \$25,000

For alternative-fuel infrastructure:

- 2011-2013: 50 percent credit up to \$250,000 (62.5 percent up to \$312,500 for public stations)
- 2014-2015: 50 percent credit up to \$200,000 (62.5 percent up to \$250,000 for public stations)
- 2016 to 2021: 50 percent credit up to \$150,000 (62.5 percent up to \$187,500 for public stations)

For home refueling infrastructure:

- 50 percent credit up to \$10,000

Language from final version of the bill (SB465)

It is the intent of the Legislature that the alternative fuel motor vehicle tax credit previously expired in 2006 be hereby reinstated with changes and amendments as set forth herein.

“Alternative fuel” includes: compressed natural gas; liquified natural gas; liquified petroleum gas; ethanol; fuel mixtures that contain 85 percent or more by volume, when combined with gasoline or other fuels, of the following: methanol; ethanol; or other alcohols; natural gas hydrocarbons and derivatives; hydrogen; coal-derived liquid fuels; and electricity, including electricity from solar energy.

“Alternative-fuel motor vehicle” means (a new or retrofitted or converted fuel vehicle that) operates solely on one alternative fuel; is capable of operating on one or more alternative fuels, singly or in combination; or is capable of operating on an alternative fuel and is also capable of operating on gasoline or diesel fuel.

“Bi-fueled” means the ability of an alternative-fuel motor vehicle to operate on an alternative fuel and another form of fuel.

“Plug-in hybrid electric vehicle” means: a plug-in hybrid electric vehicle manufactured by an established motor vehicle manufacturer of plug-in hybrid electric vehicles that can operate solely on electric power and that is capable of recharging its battery from an on-board generation source and an off-board electricity source; and a plug-in hybrid electric vehicle conversion that provides an increase in city fuel economy of 75 percent or more as compared to a comparable nonhybrid version vehicle for a minimum of twenty miles and that is capable of recharging its battery from an on-board generation source and an off-board electricity source. A vehicle is comparable if it is the same model year and the same vehicle class as established by the United States Environmental Protection Agency and is comparable in weight, size and use. Fuel economy comparisons shall be made using city fuel economy standards in a manner that is substantially similar to the manner in which city fuel economy is measured in accordance with procedures set forth in 40 C.F.R. 600 as in effect on January 1, 2011.

“Qualified alternative fuel vehicle refueling infrastructure” means property owned by the applicant for the tax credit and used for storing alternative fuels and for dispensing such alternative fuels into fuel tanks of motor vehicles, including, but not limited to, compression equipment, storage tanks and dispensing units for alternative

fuel at the point where the fuel is delivered: *Provided*, That the property is installed and located in this state and is not located on a private residence or private home.

“Qualified alternative fuel vehicle home refueling infrastructure” means property owned by the applicant for the tax credit located on a private residence or private home and used for storing alternative fuels and for dispensing such alternative fuels into fuel tanks of motor vehicles, including, but not limited to, compression equipment, storage tanks and dispensing units for alternative fuel at the point where the fuel is delivered or for providing electricity to plug-in hybrid electric vehicles or electric vehicles: *Provided*, That the property is installed and located in this state.

The credit provided in this article is not available to and may not be claimed by any taxpayer under any obligation pursuant to any federal or state law, policy or regulation to convert to the use of alternative fuels for any motor vehicle.

For taxable years beginning on and after January 1, 2011, the amount of the credit allowed under this article for an alternative-fuel motor vehicle that weighs less than twenty-six thousand pounds is **thirty-five percent of the purchase price** of the alternative-fuel motor vehicle up to a maximum amount of **\$7,500** or **fifty percent of the actual cost of converting from a traditionally fueled motor vehicle** to an alternative fuel motor vehicle up to a maximum amount of **\$7,500**.

For taxable years beginning on and after January 1, 2011, the amount of the credit allowed under this article for an alternative-fuel motor vehicle that weighs more than twenty-six thousand pounds is **thirty-five percent of the purchase price** of the alternative-fuel motor vehicle up to a maximum amount of **\$25,000** or **fifty percent of the actual cost of converting from a traditionally fueled motor vehicle** to an alternative fuel motor vehicle up to a maximum amount of **\$25,000**.

For taxable years beginning on and after January 1, 2011, but prior to January 1, 2014, the amount of the credit allowed under this article for **qualified alternative fuel vehicle refueling infrastructure** is equal to an amount of **fifty percent** of the total costs directly associated with the **construction or purchase and installation of the alternative fuel vehicle refueling infrastructure** up to a maximum of **\$250,000**: *Provided*, That if the qualified alternative fuel vehicle refueling **infrastructure is generally accessible for public use**, the amount of the **credit** allowed **will be multiplied by 1.25** and the **maximum** amount allowable will be **\$312,500**. The amount of credit allowed may not exceed the cost of construction of the alternative fuel vehicle refueling infrastructure.

For taxable years beginning on and after January 1, 2014, but prior to January 1, 2016, the amount of the credit allowed under this article for **qualified alternative fuel vehicle refueling infrastructure** is equal to an amount of **fifty percent** of the total costs directly associated with the **construction or purchase and installation** of the alternative fuel vehicle refueling infrastructure up to a maximum of **\$200,000**: *Provided*, That if the qualified alternative fuel vehicle refueling **infrastructure is generally accessible for public use**, the amount of the **credit** allowed **will be multiplied by 1.25** and the **maximum** amount allowable will be **\$250,000**. The amount of credit allowed may not exceed the cost of construction of the alternative fuel vehicle refueling infrastructure.

For taxable years beginning on and after January 1, 2016, but prior to January 1, 2022, the amount of the credit allowed under this article for **qualified alternative fuel vehicle refueling infrastructure** is equal to an amount of **fifty percent** of the total costs directly associated with the **construction or purchase and installation** of the alternative fuel vehicle refueling infrastructure up to a maximum of **\$150,000**: *Provided*, That if the qualified alternative fuel vehicle refueling infrastructure is **generally accessible for public use**, the amount of the **credit** allowed **will be multiplied by 1.25** and the maximum amount allowable will be **\$187,500**. The amount of credit allowed may not exceed the cost of construction of the alternative fuel vehicle refueling infrastructure.

For taxable years beginning on and after January 1, 2011, the amount of the credit allowed under this article for **qualified alternative fuel vehicle home refueling infrastructure** is equal to an amount of **fifty percent** of the total costs directly associated with the **construction or purchase and installation** of the alternative fuel vehicle home refueling infrastructure up to a maximum of **\$10,000**.

Carryover is allowed.