

2016 -- H 7713

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2016

A N A C T

RELATING TO TAXATION

Introduced By: Representatives McKiernan, Carnevale, Handy, Regunberg, and Amore

Date Introduced: February 24, 2016

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Title 44 of the General Laws entitled "TAXATION" is hereby amended by
2 adding thereto the following chapter:

3 CHAPTER 70

4 ELECTRIC VEHICLE RECHARGING PROPERTY CREDIT

5 **44-70-1. Definitions. --** As used in this chapter unless the context otherwise requires:

6 (1) "Department" means the commerce department.

7 (2) "Electric vehicle recharging property" means property in this state owned by an
8 eligible applicant and used for recharging electric motor vehicles owned by the eligible applicant.

9 (3) "Eligible applicant" means a business entity or individual that is the owner of an
10 electric vehicle recharging property.

11 (4) "Qualified property" means an electric vehicle recharging property.

12 **44-70-2. Electric vehicle recharging property credit. --** (a) A taxpayer shall be allowed
13 a credit, to be computed as provided in this chapter, against the tax imposed by chapters 11, 14,
14 17, and 30 of this title. For tax years beginning on or after January 1, 2017, but before January 1,
15 2019, any eligible applicant who installs and operates a qualified property shall be allowed a
16 credit against the tax otherwise due under chapters 11, 14, 17, and 30 of this title for the tax year
17 in which the applicant is constructing or installing the qualified property. The credit allowed in
18 this section per eligible applicant shall equal the total capital, labor and equipment costs directly
19 associated with the installation of any recharging equipment on the qualified property, but shall

1 not include the following:

2 (1) Costs associated with the purchase of land upon which to place a qualified property;

3 (2) Costs associated with the purchase of an existing qualified property; or

4 (3) Costs for the construction or purchase of any other type of structure to be located on
5 the qualified property.

6 (b) Tax credits allowed by this section shall be claimed by the eligible applicant at the
7 time the applicant files a return for the tax year in which the recharging facility was placed in
8 service at a qualified property, and shall be applied against the tax liability imposed by chapters
9 11, 14, 17 and 30 of this title, after all other credits provided by law have been applied.

10 (c) The amount of the credit allowed by this chapter may be transferred and/or assigned
11 by one taxpayer to another; provided, that the transferee is a parent, subsidiary, or affiliate of, or
12 is subject to common ownership, management and control with, the transferor. If the amount of
13 the tax credit exceeds the eligible applicant's tax liability, the difference shall not be refundable.
14 In the case where the credit allowed by this chapter exceeds the amount of tax liability imposed
15 against a taxpayer pursuant to chapters 11, 14, 17, and 30 of this title, and to the extent the
16 taxpayer has not transferred or assigned its credits pursuant to this subsection, the taxpayer may
17 carry forward the unused credit or any unused portions of the credit and apply the credit to its tax
18 liability for any one or more of the succeeding two (2) years.

19 (d) Any qualified property for which an eligible applicant receives tax credits under this
20 section, which ceases to recharge electric vehicles shall cause the forfeiture of such eligible
21 applicant's tax credits provided under this section for the taxable year in which the qualified
22 property ceased to recharge electric vehicles and for future taxable years with no recapture of tax
23 credits obtained by an eligible applicant with respect to such applicant's tax years which ended
24 before the recharging of electric vehicles ceased.

25 (e) The department and the department of revenue shall promulgate rules and regulations
26 in connection with the procedure by which the tax credits in this section may be claimed, in
27 accordance with the provisions of chapter 35 of title 42 (administrative procedures act).

28 (f) Any eligible applicant desiring to claim a tax credit under this section shall submit the
29 appropriate application for such credit with the department. The application for a tax credit under
30 this section shall include any information required by the department. The department shall
31 review the applications and certify to the department of revenue each eligible applicant that
32 qualifies for the tax credit.

33 (g) The provisions of the new program authorized under this section shall automatically
34 sunset two (2) years after its effective date unless reauthorized by an act of the general assembly.

1 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
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- 1 This act would establish a tax credit in connection with the installation of charging
- 2 stations for electric-operated vehicles.
- 3 This act would take effect upon passage.

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