

HOUSE BILL No. 6084

May 29, 2018, Introduced by Reps. Webber, Bellino, Iden, McCready and Kahle and referred to the Committee on Tax Policy.

A bill to amend 1937 PA 94, entitled
"Use tax act,"
(MCL 205.91 to 205.111) by adding section 4ff.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 **SEC. 4FF. (1) BEGINNING JANUARY 1, 2019, A PERSON SUBJECT TO**
2 **THE TAX UNDER THIS ACT MAY EXCLUDE FROM THE PURCHASE PRICE USED FOR**
3 **THE COMPUTATION OF THE TAX ON THE STORAGE, USE, OR CONSUMPTION OF A**
4 **NEW ALTERNATIVE ENERGY VEHICLE OR A MOTOR VEHICLE POWERED BY MOTOR**
5 **FUEL THAT HAS BEEN CONVERTED TO AN ALTERNATIVE ENERGY VEHICLE THE**
6 **FOLLOWING AMOUNT DETERMINED BASED ON THE FOLLOWING SCHEDULE OF**
7 **EMPTY WEIGHTS OF THE ALTERNATIVE ENERGY VEHICLE:**
8 **(A) UP TO 6,000 POUNDS, \$1,000.00.**

1 (B) 6,001 TO 16,000 POUNDS, \$2,500.00.

2 (C) 16,001 TO 26,000 POUNDS, \$5,000.00.

3 (D) OVER 26,000 POUNDS, \$7,500.00.

4 (2) THE EXCLUSION ALLOWED UNDER THIS SECTION ALSO APPLIES TO A
5 NEW ALTERNATIVE ENERGY VEHICLE PURCHASED FOR LEASE IF THE TERM OF
6 THE LEASE IS AT LEAST 2 YEARS.

7 (3) AS USED IN THIS SECTION:

8 (A) "ALTERNATIVE ENERGY VEHICLE" MEANS A MOTOR VEHICLE
9 MANUFACTURED BY AN ORIGINAL EQUIPMENT MANUFACTURER THAT FULLY
10 WARRANTS AND CERTIFIES THAT THE MOTOR VEHICLE MEETS FEDERAL MOTOR
11 VEHICLE SAFETY STANDARDS FOR ITS CLASS OF VEHICLES AS DEFINED BY
12 THE MICHIGAN VEHICLE CODE, 1949 PA 300, MCL 257.1 TO 257.923, AND
13 CERTIFIES THAT THE MOTOR VEHICLE MEETS LOCAL EMISSIONS STANDARDS,
14 THAT IS PROPELLED BY AN ALTERNATIVE ENERGY SYSTEM. ALTERNATIVE
15 ENERGY VEHICLE INCLUDES THE FOLLOWING:

16 (i) AN ALTERNATIVE FUELED VEHICLE. AS USED IN THIS
17 SUBPARAGRAPH, "ALTERNATIVE FUELED VEHICLE" MEANS A MOTOR VEHICLE
18 THAT CAN ONLY BE POWERED BY A CLEAN FUEL ENERGY SYSTEM AND CAN ONLY
19 BE FUELED BY A CLEAN FUEL.

20 (ii) A FUEL CELL VEHICLE. AS USED IN THIS SUBPARAGRAPH, "FUEL
21 CELL VEHICLE" MEANS A MOTOR VEHICLE POWERED SOLELY BY A FUEL CELL
22 ENERGY SYSTEM.

23 (iii) AN ELECTRIC VEHICLE. AS USED IN THIS SUBPARAGRAPH,
24 "ELECTRIC VEHICLE" MEANS A MOTOR VEHICLE POWERED SOLELY BY A
25 BATTERY CELL ENERGY SYSTEM.

26 (iv) A HYBRID VEHICLE. AS USED IN THIS SUBPARAGRAPH, "HYBRID
27 VEHICLE" MEANS A MOTOR VEHICLE THAT CAN ONLY BE POWERED BY AN

1 INTERNAL COMBUSTION ENGINE AND 1 OR MORE ALTERNATIVE ENERGY
2 SYSTEMS.

3 (v) A SOLAR VEHICLE. AS USED IN THIS SUBPARAGRAPH, "SOLAR
4 VEHICLE" MEANS A MOTOR VEHICLE POWERED SOLELY BY A PHOTOVOLTAIC
5 ENERGY SYSTEM.

6 (vi) A HYBRID ELECTRIC VEHICLE. AS USED IN THIS SUBPARAGRAPH,
7 "HYBRID ELECTRIC VEHICLE" MEANS A MOTOR VEHICLE POWERED BY AN
8 INTEGRATED PROPULSION SYSTEM CONSISTING OF AN ELECTRIC MOTOR AND
9 COMBUSTION ENGINE. HYBRID ELECTRIC VEHICLE DOES NOT INCLUDE A
10 RETROFITTED CONVENTIONAL DIESEL OR GASOLINE ENGINE. A HYBRID
11 ELECTRIC VEHICLE OBTAINS THE POWER NECESSARY TO PROPEL THE MOTOR
12 VEHICLE FROM A COMBUSTION ENGINE AND 1 OF THE FOLLOWING:

13 (A) A BATTERY CELL ENERGY SYSTEM.

14 (B) A FUEL CELL ENERGY SYSTEM.

15 (C) A PHOTOVOLTAIC ENERGY SYSTEM.

16 (B) "MOTOR FUEL" MEANS THAT TERM AS DEFINED IN SECTION 3 OF
17 THE STREAMLINED SALES AND USE TAX REVENUE EQUALIZATION ACT, 2004 PA
18 175, MCL 205.173.

19 (C) "NEW ALTERNATIVE ENERGY VEHICLE" MEANS AN ALTERNATIVE
20 ENERGY VEHICLE WHICH IS NOT AND HAS NOT BEEN A DEMONSTRATOR,
21 EXECUTIVE OR MANUFACTURER'S VEHICLE, LEASED VEHICLE, OR A USED OR
22 SECONDHAND VEHICLE.