

112TH CONGRESS
2D SESSION

S. 2161

To amend the Internal Revenue Code of 1986 to extend and modify the credit for certain plug-in vehicles.

IN THE SENATE OF THE UNITED STATES

MARCH 6, 2012

Mr. MERKLEY introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to extend and modify the credit for certain plug-in vehicles.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. EXTENSION AND MODIFICATION OF CREDIT**

4 **FOR CERTAIN PLUG-IN VEHICLES.**

5 (a) EXTENSION.—Subsection (f) of section 30 of the
6 Internal Revenue Code of 1986 is amended by striking
7 “December 31, 2011” and inserting “December 31,
8 2016”.

9 (b) MODIFICATIONS.—

1 (1) CREDIT AMOUNT.—Section 30 of the Inter-
 2 nal Revenue Code of 1986 is amended by striking
 3 subsections (a) and (b) and inserting the following:

4 “(a) ALLOWANCE OF CREDIT.—There shall be al-
 5 lowed as a credit against the tax imposed by this chapter
 6 for the taxable year an amount equal to the sum of the
 7 credit amounts determined under subsection (b) with re-
 8 spect to each qualified plug-in electric vehicle placed in
 9 service by the taxpayer during the taxable year.

10 “(b) PER VEHICLE DOLLAR LIMITATION.—

11 “(1) IN GENERAL.—The amount determined
 12 under this subsection with respect to any qualified
 13 plug-in electric vehicle is the sum of the amounts de-
 14 termined under paragraphs (2) and (3) with respect
 15 to such vehicle.

16 “(2) BASE AMOUNT.—The amount determined
 17 under this paragraph is \$1,500.

18 “(3) BATTERY CAPACITY.—In the case of a ve-
 19 hicle which draws propulsion energy from a battery
 20 with not less than 5 kilowatt hours of capacity, the
 21 amount determined under this paragraph is \$417,
 22 plus \$417 for each kilowatt hour of capacity in ex-
 23 cess of 5 kilowatt hours. The amount determined
 24 under this paragraph shall not exceed \$3,000.”.

1 (2) CREDIT ONLY TO APPLY TO 2 OR 3 WHEEL
2 VEHICLES.—

3 (A) IN GENERAL.—Paragraph (2) of sec-
4 tion 30(d) of such Code is amended to read as
5 follows:

6 “(2) SPECIFIED VEHICLE.—The term ‘specified
7 vehicle’ means any vehicle which has 2 or 3
8 wheels.”.

9 (B) INCREASE IN BATTERY CAPACITY.—
10 Clause (i) of section 30(d)(1)(F) of such Code
11 is amended by striking “(2.5 kilowatt hours in
12 the case of a vehicle with 2 or 3 wheels)”.

13 (3) CREDIT FOR PLUG-IN ELECTRIC VEHICLES
14 ALLOWED FOR VEHICLES WITH ALTERNATIVE ELEC-
15 TRICAL ENERGY STORAGE DEVICES.—

16 (A) CREDIT ALLOWED FOR NEW TECH-
17 NOLOGY.—

18 (i) IN GENERAL.—Subparagraph (F)
19 of section 30(d)(1) of the Internal Revenue
20 Code of 1986, as amended by paragraph
21 (2), is amended—

22 (I) by striking “battery” and in-
23 serting “power source”, and

24 (II) in clause (i), by inserting
25 “(or, in the case of a power source

1 which is not a battery, the appropriate
 2 energy equivalent to such capacity, as
 3 determined by the Secretary)” after
 4 “4 kilowatt hours”.

5 (ii) CONFORMING AMENDMENT.—Sub-
 6 section (d) of section 30 of such Code is
 7 amended by redesignating paragraph (4)
 8 as paragraph (5) and by inserting after
 9 paragraph (3) the following new para-
 10 graph:

11 “(4) POWER SOURCE.—The term ‘power source’
 12 includes a battery or an alternative electrical energy
 13 storage device.”.

14 (B) AMOUNT OF CREDIT.—

15 (i) IN GENERAL.—Paragraph (3) of
 16 section 30(b) of the Internal Revenue Code
 17 of 1986, as amended by subsection (a), is
 18 amended by inserting at the end the fol-
 19 lowing new sentence: “In the case of any
 20 plug-in electric vehicle which uses a power
 21 source other than a battery, this first sen-
 22 tence of this paragraph shall be applied by
 23 substituting the appropriate energy equiva-
 24 lent measurement for the number of kilo-
 25 watt hours.”.

1 (ii) CONFORMING AMENDMENT.—The
2 heading of paragraph (3) of section 30(b)
3 of such Code, as amended by subsection
4 (a), is amended by striking “BATTERY CA-
5 PACITY” and inserting “CAPACITY”.

6 (c) EFFECTIVE DATE.—The amendments made by
7 this section shall apply to vehicles acquired after Decem-
8 ber 31, 2011.

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