

1 HB699
2 141025-1
3 By Representative Wren
4 RFD: Ways and Means Education
5 First Read: 17-APR-12

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SYNOPSIS: This bill would encourage the use of motor vehicles powered by compressed natural gas, liquefied natural gas, propane, or electricity by a series of incentives for the acquisition of such vehicles and for the installation of refueling equipment. This bill would also encourage the in-state production of biodiesel and cellulosic ethanol.

 This bill would make legislative findings.

 This bill would create an incentive for the in-state production of biodiesel and cellulosic ethanol, in an amount to be paid quarterly in a program administered by the Center for Alternative Fuels within the Department of Agriculture and Industries. The payments made under this provision would expire after five years.

 This bill would limit the liability of providers of refueling equipment used by certain alternative fuel vehicles.

1 This bill would exempt certain alternative
2 fuel vehicles from the payment of tolls on toll
3 roads, bridges, and tunnels owned by the Alabama
4 Toll Road, Bridge, and Tunnel Authority.

5 This bill would prohibit insurance companies
6 from imposing a surcharge on certain alternative
7 fuel vehicles.

8 This bill would allow the Department of
9 Transportation to designate certain roads as high
10 occupancy vehicle (HOV) lanes, subject to federal
11 limitations, and would allow certain alternative
12 fuel and other vehicles to use such lanes. This
13 bill would impose penalties for the unauthorized
14 use of such lanes.

15 This bill would provide that no person would
16 be required to install electric vehicle charging
17 stations. This bill would provide that providers of
18 electric vehicle charging stations would not,
19 merely for that reason, be found to be engaging in
20 the retail sale of electricity. This bill would
21 provide that electric suppliers would be permitted
22 to provide electric vehicle charging stations. This
23 bill would provide that the Public Service
24 Commission would have no jurisdiction over the
25 rates, charges, and fees for electric vehicle
26 charging stations.

1 This bill would allow for an income tax
2 credit of no more than \$1,500 for certain
3 alternative fuel vehicles, limited to 5,000
4 vehicles per fuel type. This bill would allow an
5 income tax credit for placing in service refueling
6 equipment for certain alternative fuel vehicles,
7 limited to the lower of 30 percent of the cost of
8 such equipment, or dollar limits based on the type
9 of fuel. As to both credits, unused credits could
10 be carried forward for five years. Both credits
11 would expire five years after the effective date of
12 the provisions.

13 This bill would allow the various
14 departments, agencies, and centers with
15 administrative duties to promulgate regulations to
16 implement this bill, would provide for the
17 severance of invalid or unconstitutional
18 provisions, would repeal any conflicting laws, and
19 would provide an effective date.

20
21 A BILL
22 TO BE ENTITLED
23 AN ACT
24

25 To encourage the use of motor vehicles powered by
26 compressed natural gas, liquefied natural gas, propane, or
27 electricity by a series of incentives for the acquisition of

1 such vehicles and for the installation of refueling equipment;
2 to encourage the in-state production of biodiesel and
3 cellulosic ethanol; to make legislative findings; to create an
4 incentive for the in-state production of biodiesel and
5 cellulosic ethanol, in an amount to be paid quarterly in a
6 program administered by the Center for Alternative Fuels
7 within the Department of Agriculture and Industries; to
8 provide that such payments would expire after five years; to
9 limit the liability of providers of refueling equipment used
10 by certain alternative fuel vehicles; to amend Section
11 23-2-150, Code of Alabama 1975, to exempt certain alternative
12 fuel vehicles from the payment of tolls on toll roads,
13 bridges, and tunnels owned by the Alabama Toll Road, Bridge,
14 and Tunnel Authority; to prohibit insurance companies from
15 imposing a surcharge on certain alternative fuel vehicles; to
16 allow the Department of Transportation to designate certain
17 roads as high occupancy vehicle (HOV) lanes, subject to
18 federal limitations; to allow certain alternative fuel and
19 other vehicles to use such lanes; to impose penalties for the
20 unauthorized use of such lanes; to provide that no person
21 would be required to install electric vehicle charging
22 stations; to provide that providers of electric vehicle
23 charging stations would not, merely for that reason, be found
24 to be engaging in the retail sale of electricity; to provide
25 that electric suppliers would be permitted to provide electric
26 vehicle charging stations; to provide that the Public Service
27 Commission would have no jurisdiction over the rates, charges,

1 and fees for electric vehicle charging stations; to allow for
2 an income tax credit of no more than \$1,500 for certain
3 alternative fuel vehicles, limited to 5,000 vehicles per fuel
4 type; to allow an income tax credit for placing in service
5 refueling equipment for certain alternative fuel vehicles,
6 limited to the lower of 30 percent of the cost of such
7 equipment, or dollar limits based on the type of fuel; to
8 provide that, as to both income tax credits, unused credits
9 could be carried forward for five years; to provide that both
10 credits would expire five years after the effective date of
11 the provisions; to allow the various departments, agencies,
12 and centers with administrative duties to promulgate
13 regulations to implement this bill; to provide for the
14 severance of invalid or unconstitutional provisions; to repeal
15 any conflicting laws; and to provide an effective date.

16 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

17 Section 1. The Legislature makes the following
18 findings:

19 (1) It is in the best interest of the state to
20 encourage the use of compressed natural gas, propane, and
21 electricity to power vehicles within the state.

22 (2) New technologies require monetary and other
23 incentives for the purchase of such vehicles and the
24 installation of refueling stations for such vehicles.

25 (3) It is in the best interest of the state to
26 encourage the production of biodiesel and cellulosic ethanol

1 in the state, both as an economic development incentive and to
2 lower the price of those fuels in Alabama.

3 Section 2. A new Chapter 33 is added to Title 2,
4 Code of Alabama 1975, to read as follows:

5 §2-33-1.

6 As used in this chapter, the following terms shall
7 have the following meanings:

8 (1) BIODIESEL. A diesel fuel substitute for motor
9 vehicle fuel which is derived from non-petroleum renewable
10 resources and any blending components derived from
11 non-petroleum renewable resources, provided that only the
12 renewable fuel portion of any such blending component shall be
13 considered part of the applicable volume, and further provided
14 that the fuel meets the appropriate American Society of
15 Testing and Materials Standards (ASTM).

16 (2) BIODIESEL PAYMENT AMOUNT. For any given quarter,
17 nine hundred thousand dollars (\$900,000).

18 (3) CELLULOSIC ETHANOL. An ethanol fuel for motor
19 vehicle fuel which is derived from lignocellulosic,
20 hemicellulosic, or cellulosic matter that is available on a
21 renewable or recurring basis, provided that the fuel meets the
22 appropriate American Society of Testing and Materials
23 Standards (ASTM).

24 (4) CELLULOSIC ETHANOL PAYMENT AMOUNT. For any given
25 quarter, one million two hundred fifty thousand dollars
26 (\$1,250,000), less the amount actually paid during the

1 immediately preceding quarter pursuant to Section 2-33-2(b)(8).

2 (5) CENTER. The Center for Alternative Fuels, as
3 established within the Department of Agriculture and
4 Industries by Article 5, commencing with Section 2-2-90, of
5 Chapter 2 of this title.

6 (6) COMMERCIAL PRODUCER. A person who has the
7 capacity to produce at least 10 million gallons per year of
8 biodiesel or cellulosic ethanol at a facility in Alabama and
9 who has made capital improvements or investments in such
10 facility totaling at least ten million dollars (\$10,000,000)
11 within the past 120 months of the beginning of any given
12 quarter for which the person intends to apply for a payment.

13 (7) PERSON. The meaning ascribed to such term in
14 Section 40-18-1.

15 (8) QUARTERS. Those three-month periods beginning on
16 the first day of January, April, July, and October.

17 §2-33-2.

18 (a) The center is authorized to make quarterly
19 payments to commercial producers for the production of
20 biodiesel or cellulosic ethanol in Alabama as provided in this
21 section.

22 (b)(1) Each commercial producer of biodiesel who
23 wishes to receive payments under this section shall file an
24 application with the center, on a form prescribed by the
25 center, showing the number of gallons of Alabama biodiesel
26 which the commercial producer expects in good faith to sell in
27 the upcoming quarter. The applications required by this

1 subdivision shall be due at the center on the fifteenth day of
2 December, March, June, and July for the respective quarters
3 beginning on the first day of January, April, July, and
4 October.

5 (2) Following the due date for applications provided
6 in subdivision (1), the center shall divide the biodiesel
7 payment amount by the aggregate number of gallons of Alabama
8 biodiesel which was shown on all of the applications timely
9 filed pursuant to subdivision (1).

10 (3) The minimum amount which shall be paid for each
11 gallon of biodiesel produced by each commercial producer who
12 timely filed an application pursuant to subdivision (1) shall
13 be the lesser of twenty cents (\$0.20) per gallon, or the
14 amount determined in subdivision (2).

15 (4) The center shall post on its website the amount
16 determined in subdivision (3), a list of the commercial
17 producers who filed applications pursuant to subdivision (1),
18 and the gallons of Alabama biodiesel each commercial producer
19 expects in good faith to sell in the quarter.

20 (5) Following the close of a quarter, each
21 commercial producer of biodiesel who timely filed an
22 application pursuant to subdivision (1) shall file a report
23 with the center, on a form prescribed by the center, showing
24 the number of gallons of Alabama biodiesel which the
25 commercial producer actually sold in the quarter. No
26 commercial producer shall report any sales which exceed the
27 number of gallons of biodiesel reported by the commercial

1 producer on the application filed pursuant to subdivision (1).
2 The reports prescribed by this subdivision shall be due at the
3 center on the fifteenth day of April, July, October, and
4 January for the respective quarters beginning on the first day
5 of January, April, July, and October.

6 (6) Following the due date for the reports provided
7 in subdivision (5), the center shall divide the biodiesel
8 payment amount by the aggregate number of gallons of biodiesel
9 which was shown on all of the reports properly filed pursuant
10 to subdivision (5).

11 (7) The amount which shall actually be paid for each
12 gallon of biodiesel sold by each commercial producer who
13 timely filed a report pursuant to subdivision (5) shall be the
14 lesser of twenty cents (\$0.20) per gallon, or the amount
15 determined in subdivision (6).

16 (8) The center shall post on its website the amount
17 determined in subdivision (7), a list of the commercial
18 producers who timely filed reports pursuant to subdivision
19 (5), the gallons of Alabama biodiesel they actually sold, and
20 the amount to be paid to each commercial producer. The center
21 shall make the payments to the commercial producers of
22 biodiesel by the last day of April, July, October, and January
23 for the respective quarters beginning on the first day of
24 January, April, July, and October.

25 (9) No commercial producer shall receive any payment
26 for biodiesel which is not produced in Alabama by the
27 commercial producer, which is sold to a person related to the

1 commercial producer, or which is sold for use outside the
2 United States.

3 (c) (1) Each commercial producer of cellulosic
4 ethanol who wishes to receive payments under this section
5 shall file a report with the center, on a form prescribed by
6 the center, showing the number of gallons of Alabama
7 cellulosic ethanol which the commercial producer actually sold
8 in the quarter. The reports prescribed by this subdivision
9 shall be due at the center on the fifteenth day of April,
10 July, October, and January for the respective quarters
11 beginning on the first day of January, April, July, and
12 October.

13 (2) The center shall divide the cellulosic ethanol
14 payment amount by the aggregate number of gallons of
15 cellulosic ethanol which was shown on all of the reports
16 timely filed pursuant to subdivision (1).

17 (3) The amount which shall actually be paid for each
18 gallon of cellulosic ethanol sold by each commercial producer
19 who timely filed a report pursuant to subdivision (1) shall be
20 the amount determined in subdivision (2).

21 (4) The center shall post on its website the amount
22 determined in subdivision (3), a list of the commercial
23 producers who timely filed reports pursuant to subdivision
24 (1), the gallons of Alabama cellulosic ethanol they actually
25 sold, and the amount to be paid to each commercial producer.
26 The center shall make the payments to the commercial producers
27 of cellulosic ethanol by the last day of April, July, October,

1 and January for the respective quarters beginning on the first
2 day of January, April, July, and October.

3 (5) No commercial producer shall receive any payment
4 amount for cellulosic ethanol which is not produced in Alabama
5 by the commercial producer, which is sold to a person related
6 to the commercial producer, or which is sold for use outside
7 the United States.

8 (d) A commercial producer who submits an application
9 pursuant to this section for any given quarter is under no
10 obligation to submit an application pursuant to this section
11 for any other quarter.

12 (e) The payments provided for in this chapter are
13 available only during the five-year period beginning on the
14 effective date of this chapter.

15 Section 3. A new Section 6-5-345 is added to Article
16 18, commencing with Section 6-5-330, of Chapter 5 of Title 6,
17 Code of Alabama 1975, to read as follows:

18 §6-5-345.

19 Notwithstanding any provision of law to the
20 contrary, no person who provides refueling equipment for
21 permitted vehicles, as such terms are defined in Section
22 40-18-301, whether with or without cost, shall be subject to
23 civil liability or criminal prosecution as a result of his or
24 her acts or omissions arising out of the provision of such
25 equipment, so long as such equipment complied with any
26 building codes applicable to the installation of such
27 equipment.

1 Section 4. Section 23-2-150, Code of Alabama 1975,
2 is amended to read as follows:

3 "§23-2-150.

4 "The authority is hereby authorized to fix, revise,
5 charge, and collect tolls for the use of each toll road,
6 bridge or tunnel project and the different parts or sections
7 thereof, and to contract with, or to lease to or from, any
8 person, partnership, association or corporation desiring the
9 use of any part thereof, including the right-of-way adjoining
10 the paved portion of approaches and access highways, streets
11 or roads for placing thereon telephone, telegraph, electric
12 light or power lines or pipe lines for gas and water or for
13 petroleum products or for any other purpose except for tracks
14 for railroad or railway use and to fix the terms, conditions,
15 rents, and rates of charges for such use. Tolls shall be so
16 fixed and adjusted as to carry out and perform the terms and
17 provisions of any contract with or for the benefit of
18 bondholders. Tolls shall not be subject to supervision or
19 regulation by any other commission, board, bureau or agency of
20 the state. The use and disposition of tolls and revenues shall
21 be subject to the provisions of the resolution authorizing the
22 issuance of such bonds or of the trust agreement securing the
23 bond issue. Notwithstanding any provision in this article, the
24 authority shall not charge a toll for any vehicle which bears
25 the decal provided for by Section 32-5A-340; provided,
26 however, that this exemption shall apply to a toll road,
27 bridge, or tunnel project in service as of the effective date

1 of the act adding this amendatory language only upon the
2 retirement or refunding of the bonded indebtedness outstanding
3 on the effective date of the act adding this amendatory
4 language."

5 Section 5. A new Article 6 is added to Chapter 13 of
6 Title 27, Code of Alabama 1975, to read as follows:

7 §27-13-150.

8 (a) As used in this section, the term "permitted
9 vehicle" shall have the meaning given by Section 40-18-301.

10 (b) Any rates, rating schedules, or rating manuals
11 submitted to or filed with the Commissioner of the Department
12 of Insurance for private passenger automobile liability
13 insurance and private passenger automobile physical damage
14 insurance shall not include a surcharge on the premium for
15 such insurance written on a permitted vehicle.

16 Section 6. A new Article 16 is added to Chapter 5A
17 of Title 32, Code of Alabama 1975, to read as follows:

18 §32-5A-350.

19 (a) As used in this section, "HOV lane" shall mean a
20 lane of a public roadway designated as a high occupancy
21 vehicle lane by the Department of Transportation.

22 (b) The Department of Transportation may designate
23 any travel lane on any road in the state highway system as an
24 HOV lane; provided, however, that where such designation has
25 been made, the road shall be appropriately marked with traffic
26 signs or other roadway markers or markings to inform the

1 traveling public of the existence of such HOV lane and of the
2 restrictions imposed.

3 (c) The Department of Transportation, by regulation,
4 may determine the types of vehicles that are allowed to use
5 HOV lanes because of the reduced emissions of the vehicles or
6 because of the type of fuel used to power the vehicles;
7 provided that such regulations shall comply with 23 U.S.C.
8 Section 166 and the regulations promulgated thereunder. In
9 furtherance thereof, the following shall be applicable:

10 (1) The Department of Transportation shall issue a
11 decal and registration certificate, to be renewed annually,
12 reflecting the HOV lane designation on such vehicles and may
13 charge a fee, as determined by regulation, which shall not
14 exceed the costs of designing, producing, and distributing
15 each decal, or five dollars (\$5), whichever is less.

16 (2) In promulgating such regulations, the Department
17 of Transportation shall encourage, to the full extent allowed
18 by federal law, the use of low emission and energy efficient
19 vehicles and inherently low emission vehicles.

20 (d) Except as provided in subsection (e), no person
21 may operate a vehicle in an HOV lane if the vehicle is
22 occupied by fewer than the number of occupants indicated by a
23 traffic sign or other roadway marker or marking.

24 (e) As to vehicles which are allowed to be operated
25 in an HOV lane pursuant to subsection (c), no person may
26 operate such a vehicle in an HOV lane if the vehicle fails to
27 display the decal required by subsection (c).

1 (f) The Department of Transportation may issue
2 regulations to implement this article. The Department of
3 Transportation shall finalize the regulations provided in
4 subsection (c), and shall make available the decals provided
5 in subsection (c) within 180 days of the effective date of
6 this article; provided, however, that this sentence shall not
7 prevent the Department of Transportation from thereafter
8 making amendments to such regulations.

9 Section 7. A new Article 7 is added to Chapter 4,
10 Title 37, Code of Alabama 1975, to read as follows:

11 §37-4-160.

12 (a) For purposes of this article, the following
13 terms shall have the following meanings:

14 (1) COMMISSION. The Public Service Commission
15 established by this title.

16 (2) ELECTRIC SUPPLIER. Any municipality, municipally
17 owned utility or other governmental entity, any cooperative,
18 corporation, person, firm, association, or other entity
19 engaged in the business of supplying electric service at
20 retail.

21 (3) ELECTRIC VEHICLE. A motor vehicle with at least
22 four wheels which:

23 a. Is manufactured primarily for use on public
24 streets, roads, and highways.

25 b. Is rated at not more than 26,000 pounds unloaded
26 gross vehicle weight.

1 c. Is propelled to a significant extent by an
2 electric motor which draws electricity from a battery which
3 has a capacity of not less than four kilowatt hours and is
4 capable of being recharged from an external source of
5 electricity.

6 (4) ELECTRIC VEHICLE CHARGING STATION. Equipment
7 which supplies electricity for the recharging of electric
8 vehicles, including an electric vehicle charging station, an
9 electric recharging point, a charging point, electric vehicle
10 supply equipment, or electric vehicle charging equipment.

11 (b) The installation of electric vehicle charging
12 stations is voluntary. No business entity, corporation,
13 individual, municipality, county, public utility, or other
14 person shall be required or mandated to install an electric
15 vehicle charging station.

16 (c) (1) The provision of electricity from an electric
17 vehicle charging station by a person who is not an electric
18 supplier shall not constitute the retail sale of electricity
19 if:

20 a. The electric vehicle charging station is capable
21 of being used solely for recharging an electric vehicle.

22 b. The person providing the electric vehicle
23 charging station has procured the furnished electricity
24 lawfully.

25 c. The person providing the electric vehicle
26 charging station determines the amount charged for the use of

1 the station by some measure other than the amount of
2 electricity consumed.

3 (2) The provision of an electric vehicle charging
4 station by an electric supplier:

5 a. Shall be a permitted electric utility activity.

6 b. Shall not affect the utility status of the
7 electric supplier or otherwise bestow utility status on such
8 supplier.

9 (d) The commission shall have no jurisdiction over
10 the rates, charges, and fees for the provision of an electric
11 vehicle charging service.

12 Section 8. A new Article 12 is added to Chapter 18
13 of Title 40, Code of Alabama 1975, to read as follows:

14 §40-18-310.

15 (a) As used in this section, the following terms
16 shall have the following meanings:

17 (1) INCOME TAX. The tax levied in Article 1 of this
18 chapter.

19 (2) MANUFACTURER. The term has the meaning given in
20 regulations prescribed by the Administrator of the United
21 States Environmental Protection Agency for purposes of the
22 administration of Title II of the Clean Air Act (42 U.S.C. §§
23 7521 et seq.).

24 (3) MODIFIED VEHICLE. A motor vehicle with at least
25 four wheels which:

26 a. Was manufactured primarily for use on public
27 streets, roads, and highways.

- 1 b. Is owned by the taxpayer.
- 2 c. Is registered in this state.
- 3 d. On or after October 1, 2012, is modified by the
- 4 installation of equipment which is certified by the U.S.
- 5 Environmental Protection Agency so that the vehicle is
- 6 propelled to a significant extent by a specified engine.

7 (4) QUALIFIED VEHICLE. A motor vehicle with at least
8 four wheels which:

- 9 a. Is manufactured by a manufacturer.
- 10 b. Is manufactured primarily for use on public
- 11 streets, roads, and highways.
- 12 c. Has not been modified from original manufacturer
- 13 specifications.
- 14 d. Has an original use commencing with the taxpayer.
- 15 e. Is acquired by the taxpayer on or after October
- 16 1, 2012.
- 17 f. Is acquired for use or lease by the taxpayer and
- 18 not for resale.
- 19 g. Is acquired in this state from a seller who has
- 20 previously registered for participation herein with the
- 21 department.
- 22 h. Is acquired for registration in this state.
- 23 i. Is propelled to a significant extent by a
- 24 specified engine.

25 (5) SPECIFIED ENGINE. Any one of the following:

- 26 a. A motor powered by compressed natural gas.
- 27 b. A motor powered by liquefied natural gas.

1 c. A motor powered by liquefied petroleum gas.

2 d. A motor which draws electricity from a battery
3 which has a capacity of not less than four kilowatt hours and
4 is capable of being recharged from an external source of
5 electricity.

6 (b) A nonrefundable credit against income tax shall
7 be allowed for the acquisition of a qualified vehicle or the
8 placing in service of a modified vehicle. As to qualified
9 vehicles, the credit allowed under this section shall equal
10 the lesser of 100 percent of the cost of the qualified
11 vehicle, or one thousand five hundred dollars (\$1,500). As to
12 modified vehicles, the credit allowed under this section shall
13 equal the lesser of 100 percent of the cost of the
14 modifications, or one thousand five hundred dollars (\$1,500).

15 (c) Upon the acquisition of a qualified vehicle, the
16 taxpayer shall be provided with a certificate from the seller
17 certifying that the vehicle is eligible for the credit
18 provided in this section. A copy of such certificate shall be
19 submitted by the taxpayer to the department with the return on
20 which the taxpayer claims such credit. On the same day as the
21 acquisition, the seller shall submit to the department a copy
22 of such certificate. Such certificate shall be of a form
23 approved by the department. The department, by regulation,
24 shall implement a system for the receipt of certificates as to
25 modified vehicles.

26 (d) Within 10 days of the receipt of 5,000
27 certificates for qualified vehicles or modified vehicles using

1 any one type of specified engine, the department shall notify
2 all sellers that, effective on the following day, the credit
3 provided by this section shall no longer be available for
4 qualified vehicles or modified vehicles using such type of
5 specified engine, and the department shall accept no
6 additional certificates as to such type of specified engine,
7 but shall continue to accept certificates for any other
8 unexpired types of specified engines. Any seller which
9 thereafter issues certificates as to such manufacturer shall
10 be guilty of submitting a fraudulent return and shall be
11 liable to the taxpayer for the amount of the tax credit, plus
12 punitive damages. The department, by regulation, shall
13 implement a system for notifications as to modified vehicles.

14 (e) Should the credit allowed by this section exceed
15 the amount of income tax otherwise owed, the taxpayer may
16 carry the credit forward to each of the five years following
17 the tax year that the credit was originally to be allowed.
18 Various credits carried forward are considered to be applied
19 in the order of the tax years for which such credits were
20 first allowed, beginning with the credit for the earliest tax
21 year.

22 (f) Except as provided in subsection (e), the credit
23 provided for in this section shall be allowed only during the
24 five-year period beginning on the effective date of this
25 article.

26 (g) The department may promulgate regulations for
27 the administration of this article.

1 §40-18-301.

2 (a) As used in this section, the following terms
3 shall have the following meanings:

4 (1) INCOME TAX. The tax levied in Article 1 of this
5 chapter.

6 (2) PERMITTED VEHICLE. A motor vehicle with at least
7 four wheels which:

8 a. Is manufactured primarily for use on public
9 streets, roads, and highways.

10 b. Is propelled to a significant extent by one of
11 the following:

12 1. A motor powered by compressed natural gas,
13 liquefied natural gas, or liquefied petroleum gas.

14 2. A motor which draws electricity from a battery
15 which has a capacity of not less than four kilowatt hours and
16 is capable of being recharged from an external source of
17 electricity.

18 (3) REFUELING EQUIPMENT. Equipment which supplies
19 fuel or electricity for the refueling or recharging of
20 permitted vehicles.

21 (b) A nonrefundable credit against income tax shall
22 be allowed for the placement in service of refueling
23 equipment, the original use of which commences with the
24 taxpayer. The credit allowed under this section shall equal
25 the lesser of 30 percent of the cost of the refueling
26 equipment or the following:

1 (1) For refueling equipment for compressed natural
2 gas, five thousand dollars (\$5,000).

3 (2) For refueling equipment for liquefied petroleum
4 gas, two thousand dollars (\$2,000).

5 (3) For refueling equipment for electricity, five
6 hundred dollars (\$500).

7 (c) Should the credit allowed by this section exceed
8 the amount of income tax otherwise owed, the taxpayer may
9 carry the credit forward to each of the five years following
10 the tax year that the credit was originally to be allowed.
11 Various credits carried forward are considered to be applied
12 in the order of the tax years for which such credits were
13 first allowed, beginning with the credit for the earliest tax
14 year.

15 (d) Except as provided in subsection (c), the credit
16 provided for in this section shall be allowed only during the
17 five-year period beginning on the effective date of this
18 article.

19 (e) The department may promulgate regulations for
20 the administration of this article.

21 Section 9. Regulations may be promulgated to
22 implement this act.

23 Section 10. If a court of competent jurisdiction
24 adjudges or declares any clause, sentence, paragraph, section,
25 or part of this act invalid or unconstitutional, such judgment
26 or decree shall not affect, impair, invalidate, or nullify the
27 remainder of this act, but the effect of the decision shall be

1 confined to the clause, sentence, paragraph, section, or part
2 of this act adjudged or declared to be invalid or
3 unconstitutional.

4 Section 11. All laws or parts of laws which conflict
5 with this act are repealed.

6 Section 12. Section 2 of this act shall take effect
7 on October 1, 2012. Sections 5 and 8 of this act shall take
8 effect on the first day of the second full month following
9 this act's passage and approval by the Governor, or upon its
10 otherwise becoming law. All other sections of this act shall
11 become effective immediately upon its passage and approval by
12 the Governor, or upon its otherwise becoming law.