To amend the Internal Revenue Code of 1986 to extend certain tax credits related to electric cars, and for other purposes.

IN THE SENATE OF THE UNITED STATES
SEPTEMBER 17, 2018

Mr. MERKLEY (for himself, Mr. HEINRICH, Ms. CORTEZ MASTO, Ms. HARRIS, Mrs. FEINSTEIN, and Mr. BOOKER) 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 certain tax credits related to electric cars, and for other purposes.

1 Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

2 SECTION 1. SHORT TITLE.

3 This Act may be cited as the “Electric Credit Access Ready at Sale Act of 2018” or the “Electric CARS Act of 2018”.

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SEC. 2. EXTENSION AND MODIFICATION OF NEW QUALIFIED PLUG-IN ELECTRIC DRIVE MOTOR VEHICLES CREDIT.

(a) Extension.—

(1) In general.—Subsection (e) of section 30D of the Internal Revenue Code of 1986 is amended to read as follows:

“(e) Termination.—This section shall not apply to any new qualified plug-in electric drive motor vehicle placed in service after December 31, 2028.”.

(2) 2- and 3-wheeled plug-in electric vehicles.—Subparagraph (E) of section 30D(g)(3) of such Code is amended by striking “or” at the end of clause (i), by redesignating clause (ii) as clause (iii), and by inserting after clause (i) the following new clause:

“(ii) after December 31, 2017, and before January 1, 2029, or”.

(b) Credit may be assigned to financing entity.—Section 30D(f) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(8) Credit may be assigned to financing entity.—

“(A) In general.—The taxpayer to whom the credit which would (but for this paragraph)
be allowed under subsection (a) for any taxable year with respect to a vehicle may assign such credit to the person who financed the purchase (or lease of at least 2 years) of such vehicle. Any person to whom such credit is assigned under the preceding sentence shall be treated for purposes of this title as the taxpayer who placed such vehicle in service.

“(B) Disclosure requirement.—Subparagraph (A) shall not apply with respect to any vehicle unless the person to whom the credit is assigned clearly discloses in writing to the taxpayer the amount of the credit allowable under subsection (a) with respect to such vehicle (determined without regard to subsection (c)).”.

(c) Carryforward of unused credit.—Section 30D of the Internal Revenue Code of 1986 is amended by redesignating subsection (g) (as amended by subsection (a)(2)) as subsection (h), and by inserting after subsection (f) the following new subsection:

“(g) Carryforward of unused credit.—

“(1) In general.—If the credit allowable under subsection (a) (after the application of subsection (e)) exceeds the limitation imposed by section
26(a) for such taxable year reduced by the sum of the credits allowable under this subpart (other than subsection (a) of this section), such excess shall be carried to the succeeding taxable year and treated as a credit allowable under subsection (a) for such succeeding taxable year.

“(2) LIMITATION.—No amount of credit may be carried forward under this subsection to any taxable year following the 5th taxable year after the taxable year in which the credit arose. For purposes of the preceding sentence, credits shall be treated as used on a first-in, first-out basis.”.

(d) EFFECTIVE DATES.—

(1) EXTENSION.—The amendments made by subsection (a) shall apply to vehicles acquired after December 31, 2017.

(2) ASSIGNMENT.—The amendments made by subsection (b) shall apply to vehicles acquired more than 60 days after the date of the enactment of this Act.

(3) CARRYFORWARD.—The amendments made by subsection (c) shall apply to vehicles sold after the date of the enactment of this Act.
SEC. 3. EXTENSION OF THE ALTERNATIVE FUEL VEHICLE REFUELING PROPERTY CREDIT.

(a) In General.—Section 30C(g) of the Internal Revenue Code of 1986 is amended by striking “2017” and inserting “2028”.

(b) Effective Date.—The amendment made by this section shall apply to property placed in service after December 31, 2017.

SEC. 4. EXTENSION OF THE ALTERNATIVE MOTOR VEHICLE CREDIT.

(a) In General.—Paragraph (1) of section 30B(k) of the Internal Revenue Code of 1986 is amended by striking “2017” and inserting “2028”.

(b) Effective Date.—The amendment made by this section shall apply to property placed in service after December 31, 2017.