

116TH CONGRESS
1ST SESSION

H. R. 5161

To amend the Internal Revenue Code of 1986 to provide a credit for previously-owned qualified plug-in electric drive motor vehicles.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 19, 2019

Mr. GOMEZ (for himself, Mr. BLUMENAUER, Ms. DELBENE, Mr. SUOZZI, Ms. MOORE, Mr. PANETTA, Mr. EVANS, Mr. BEYER, and Ms. SÁNCHEZ) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to provide a credit for previously-owned qualified plug-in electric drive motor 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. SHORT TITLE.**

4 This Act may be cited as the “Affordable EVs for
5 Working Families Act of 2019”.

6 **SEC. 2. CREDIT FOR PREVIOUSLY-OWNED QUALIFIED**
7 **PLUG-IN ELECTRIC DRIVE MOTOR VEHICLES.**

8 (a) IN GENERAL.—Subpart A of part IV of sub-
9 chapter A of chapter 1 of the Internal Revenue Code of

1 1986 is amended by inserting after section 25D the fol-
2 lowing new section:

3 **“SEC. 25E. PREVIOUSLY-OWNED QUALIFIED PLUG-IN ELEC-**
4 **TRIC DRIVE MOTOR VEHICLES.**

5 “(a) ALLOWANCE OF CREDIT.—In the case of a
6 qualified buyer who during a taxable year places in service
7 a previously-owned qualified plug-in electric drive motor
8 vehicle, there shall be allowed as a credit against the tax
9 imposed by this chapter for the taxable year an amount
10 equal to the sum of—

11 “(1) \$1,250, plus

12 “(2) in the case of a vehicle which draws pro-
13 pulsion energy from a battery which exceeds 4 kilo-
14 watt hours of capacity (determined at the time of
15 sale), the lesser of—

16 “(A) \$1,250, and

17 “(B) the product of \$208.50 and such ex-
18 cess kilowatt hours.

19 “(b) LIMITATIONS.—

20 “(1) SALE PRICE.—The credit allowed under
21 subsection (a) with respect to sale of a vehicle shall
22 not exceed 30 percent of the sale price.

23 “(2) ADJUSTED GROSS INCOME.—The amount
24 which would (but for this paragraph) be allowed as
25 a credit under subsection (a) shall be reduced (but

1 not below zero) by \$250 for each \$1,000 (or fraction
2 thereof) by which the taxpayer's adjusted gross in-
3 come exceeds \$30,000 (twice such amount in the
4 case of a joint return).

5 “(c) DEFINITIONS.—For purposes of this section—

6 “(1) PREVIOUSLY-OWNED QUALIFIED PLUG-IN
7 ELECTRIC DRIVE MOTOR VEHICLE.—The term ‘pre-
8 viously-owned qualified plug-in electric drive motor
9 vehicle’ means, with respect to a taxpayer, a motor
10 vehicle—

11 “(A) the model year of which is at least 2
12 earlier than the calendar year in which the tax-
13 payer acquires such vehicle,

14 “(B) the original use of which commences
15 with a person other than the taxpayer,

16 “(C) which is acquired by the taxpayer in
17 a qualified sale,

18 “(D) registered by the taxpayer for oper-
19 ation in a State or possession of the United
20 States, and

21 “(E) which meets the requirements of sub-
22 paragraphs (C), (D), (E), and (F) of section
23 30D(d)(1).

24 “(2) QUALIFIED SALE.—The term ‘qualified
25 sale’ means a sale of a motor vehicle—

1 “(A) by a person who holds such vehicle in
2 inventory (within the meaning of section 471)
3 for sale or lease,

4 “(B) for a sale price of less than \$25,000,
5 and

6 “(C) which is the first transfer since the
7 date of the enactment of this section to a per-
8 son other than the person with whom the origi-
9 nal use of such vehicle commenced.

10 “(3) QUALIFIED BUYER.—The term ‘qualified
11 buyer’ means, with respect to a sale of a motor vehi-
12 cle, a taxpayer—

13 “(A) who is an individual,

14 “(B) who purchases such vehicle for use
15 and not for resale,

16 “(C) with respect to whom no deduction is
17 allowable with respect to another taxpayer
18 under section 151,

19 “(D) who has not been allowed a credit
20 under this section for any sale during the 3-
21 year period ending on the date of the sale of
22 such vehicle, and

23 “(E) who possesses a certificate issued by
24 the seller that certifies—

1 “(i) that the vehicle is a previously-
2 owned qualified plug-in electric drive motor
3 vehicle,

4 “(ii) the capacity of the battery at
5 time of sale, and

6 “(iii) such other information as the
7 Secretary may require.

8 “(4) MOTOR VEHICLE; CAPACITY.—The terms
9 ‘motor vehicle’ and ‘capacity’ have the meaning
10 given such terms in paragraphs (2) and (4) of sec-
11 tion 30D(d), respectively.

12 “(d) APPLICATION OF CERTAIN RULES.—For pur-
13 poses of this section, rules similar to the rules of para-
14 graphs (1), (2), (4), (5), (6), and (7) of section 30D(f)
15 shall apply for purposes of this section.

16 “(e) CERTIFICATE SUBMISSION REQUIREMENT.—
17 The Secretary may require that the issuer of the certifi-
18 cate described in subsection (c)(3)(E) submit such certifi-
19 cate to the Secretary at the time and in the manner re-
20 quired by the Secretary.

21 “(f) TERMINATION.—No credit shall be allowed
22 under this section with respect to sales after December
23 31, 2024.”.

24 (b) CLERICAL AMENDMENT.—The table of sections
25 for subpart A of part IV of subchapter A of chapter 1

1 of such Code is amended by inserting after the item relat-
2 ing to section 25D the following new item:

“Sec. 25E. Previously-owned qualified plug-in electric drive motor vehicles.”.

3 (c) EFFECTIVE DATE.—The amendments made by
4 this section shall apply to sales after the date of the enact-
5 ment of this Act.

○