

118TH CONGRESS
2D SESSION

H. R. 7980

AN ACT

To amend the Internal Revenue Code of 1986 to exclude vehicles the batteries of which contain materials sourced from prohibited foreign entities from the clean vehicle credit.

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

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “End Chinese Domi-
3 nance of Electric Vehicles in America Act of 2024”.

4 **SEC. 2. EXCLUSION FROM CLEAN VEHICLE CREDIT OF VE-**
5 **HICLES CONTAINING MATERIALS SOURCED**
6 **FROM PROHIBITED FOREIGN ENTITIES.**

7 (a) IN GENERAL.—Section 30D(d)(7) of the Internal
8 Revenue Code of 1986 is amended to read as follows:

9 “(7) EXCLUDED ENTITIES.—

10 “(A) IN GENERAL.—For purposes of this
11 section, the term ‘new clean vehicle’ shall not
12 include any vehicle—

13 “(i) with respect to which any of the
14 components contained in the drive battery
15 or any material contained in such a compo-
16 nent was extracted, processed, recycled,
17 manufactured, or assembled by a prohib-
18 ited foreign entity, or

19 “(ii) the drive battery of which is de-
20 signed, manufactured, or produced using
21 any process attributable to any licensing,
22 royalty, service, or similar agreement with
23 a prohibited foreign entity the estimated
24 total contract cost, including variable, con-
25 tingent, or sales-based payments, of which
26 exceeds \$5,000,000.

1 “(B) PROHIBITED FOREIGN ENTITY.—For
2 purposes of subparagraph (A), the term ‘pro-
3 hibited foreign entity’ means—

4 “(i) any foreign entity of concern (as
5 defined in section 40207(a)(5) of the In-
6 frastructure Investment and Jobs Act),

7 “(ii) any entity with respect to which
8 the government of a covered nation has the
9 right or power (directly or indirectly) to
10 appoint or approve the appointment of a
11 covered officer, or

12 “(iii) any entity 25 percent or more of
13 the capital or profits interests of which are
14 owned (directly or indirectly) in the aggre-
15 gate by 1 or more of the following:

16 “(I) A covered nation or an enti-
17 ty described in clause (i) or (ii).

18 “(II) A citizen, national, or resi-
19 dent of a covered nation.

20 “(III) An entity organized under
21 the laws of a covered nation.

22 “(C) COVERED OFFICER.—For purposes of
23 this paragraph, the term ‘covered officer’
24 means—

1 “(i) any member of the board of direc-
2 tors, board of supervisors, or an equivalent
3 governing body,

4 “(ii) the president, senior vice presi-
5 dent, chief executive officer, chief operating
6 officer, chief financial officer, or general
7 counsel, or

8 “(iii) any individual who performs du-
9 ties usually associated with a title listed in
10 clause (i) or (ii).

11 “(D) COVERED NATION.—For purposes of
12 this paragraph, the term ‘covered nation’ has
13 the meaning given such term in section 4872(d)
14 of title 10, United States Code.

15 “(E) DRIVE BATTERY.—For purposes of
16 this paragraph, the term ‘drive battery’ means,
17 with respect to a vehicle, the battery from
18 which the electric motor of such vehicle draws
19 electricity.”.

1 (b) EFFECTIVE DATE.—The amendment made by
2 this section shall apply to vehicles placed in service after
3 the date of enactment of this Act.

Passed the House of Representatives September 12,
2024.

Attest:

Clerk.

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