

119TH CONGRESS
1ST SESSION

H. R. 1253

To amend the Internal Revenue Code of 1986 to establish a tax on the sale of electric vehicles and batteries.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 12, 2025

Mr. JOHNSON of South Dakota (for himself and Mr. TAYLOR) 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 establish a tax on the sale of electric vehicles and batteries.

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 “Fair Sharing of High-
5 ways and Roads for Electric Vehicles Act of 2025” or the
6 “Fair SHARE Act of 2025”.

7 **SEC. 2. TAX ON SALE OF ELECTRIC VEHICLES AND BAT-**
8 **TERIES.**

9 (a) IMPOSITION OF TAX.—

1 (1) IN GENERAL.—Subchapter A of chapter 32
 2 of the Internal Revenue Code of 1986 is amended by
 3 adding at the end the following new part:

4 **“PART IV—ELECTRIC VEHICLES AND BATTERIES**

“Sec. 4091. Tax on Electric Vehicles and Batteries.

5 **“SEC. 4091. TAX ON ELECTRIC VEHICLES AND BATTERIES.**

6 “(a) BATTERY MODULE.—There is hereby imposed
 7 a tax equal to \$550 on each battery module with a weight
 8 of greater than 1,000 pounds which is—

9 “(1) sold by the manufacturer, producer, or im-
 10 porter thereof, and

11 “(2) intended for use in an electric vehicle.

12 “(b) ELECTRIC VEHICLES.—There is hereby imposed
 13 a tax equal to \$1,000 on each electric vehicle sold by the
 14 manufacturer, producer, or importer thereof.

15 “(c) DEFINITIONS.—In this section—

16 “(1) BATTERY MODULE.—The term ‘battery
 17 module’ has the same meaning given such term in
 18 section 45X(c)(5)(B)(iii).

19 “(2) ELECTRIC VEHICLE.—

20 “(A) IN GENERAL.—The term ‘electric ve-
 21 hicle’ means a light-duty vehicle which satisfies
 22 the requirements under section 30D(d)(1)(F).

23 “(B) EXCEPTION FOR HYBRID VEHI-
 24 CLES.—The term ‘electric vehicle’ shall not in-

clude any motor vehicle which draws propulsion energy from onboard sources of stored energy which are both—

“(i) an internal combustion or heat engine using consumable fuel, and

“(ii) a rechargeable energy storage system.

“(3) LIGHT-DUTY VEHICLE.—The term ‘light-duty vehicle’ means a motor vehicle, as defined in section 30D(d)(2), which has a gross vehicle weight rating of less than 8,500 pounds.”.

(2) CLERICAL AMENDMENT.—The table of parts for subchapter A of chapter 32 of the Internal Revenue Code of 1986 is amended by adding at the end the following new item:

“PART IV—ELECTRIC VEHICLES AND BATTERIES”.

(b) TRANSFER OF REVENUE TO HIGHWAY TRUST FUND.—Section 9503(b)(1) of the Internal Revenue Code of 1986 is amended—

(1) in subparagraph (D), by striking “and” at the end,

(2) by redesignating subparagraph (E) as subparagraph (F), and

(3) by inserting after subparagraph (D) the following new subparagraph:

1 “(E) section 4091 (relating to tax on elec-
2 tric vehicles and batteries), and”.

3 (c) EFFECTIVE DATE.—The amendments made by
4 this section shall apply to sales after December 31, 2025.

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