

Federal Incentives:

Compiled using the U.S. DOE Alternative Fuels & Advanced Vehicles Data Center:
http://www.afdc.energy.gov/afdc/progs/fed_summary.php/afdc/US/0

Clean Cities FY09 Petroleum Reduction Technologies Projects for the Transportation Sector

The intent of the FOA modification will be to further domestic manufacture and use of energy efficient advanced transportation vehicles (ATVs), alternative fuel vehicles (AFVs), and alternative fuels (AFs). As required by section 721 of the Energy Policy Act of 2005, prospective applicants shall be limited to heads of state or local governments or a metropolitan transportation authority, or combinations of these, and a designated Clean Cities Coalition (designated Coalition list is at Clean Cities Coalitions) in order to apply. Areas of Interest (AOI) include (1) funds for refueling infrastructure for AFs on cost-shared projects (funding minimum of \$1.3 million to maximum of \$2.6 million); (2) funds for incremental costs of dedicated AFVs purchased from original equipment manufacturers (funding min. of \$800K to max. of \$1.6 million); (3) funds for education, outreach, and workshops for petroleum reduction fuels and technologies to raise awareness and foster a greater understanding of alternative fuels and advanced vehicle technologies (funding min. \$900K to \$1.8 million); (4) funds for cost-shared projects that expand the use of alternative fuel and advanced vehicle technologies including the installation or acquisition of infrastructure necessary to directly support these vehicles (funding max. is \$300 million). Minimum DOE funding represents FY09 funding.

Alternative Fuel Infrastructure Tax Credit

A tax credit is available for the cost of installing alternative fueling equipment placed into service after December 31, 2005. Qualified alternative fuels are natural gas, liquefied petroleum gas, hydrogen, electricity, E85, or diesel fuel blends containing a minimum of 20% biodiesel. The credit amount is up to 30% of the cost, not to exceed \$30,000, for equipment placed into service before January 1, 2009. The credit amount is up to 50% not to exceed \$50,000, for equipment placed into service on or after January 1, 2009. Fueling station owners who install qualified equipment at multiple sites are allowed to use the credit towards each location. Consumers who purchase residential fueling equipment may receive a tax credit of up to \$1,000, which increases to \$2,000 for equipment placed into service after December 31, 2008. The maximum credit amount for hydrogen fueling equipment placed into service after December 31, 2008, and before January 1, 2015, is \$200,000. The credit expires December 31, 2010, for all other eligible fuel types. Form 8911 (PDF 247 KB) provides additional information and must be used in order to claim the tax credit. Download Adobe ReaderPublic Law 111-5, Section 1123, and 26 U.S. Code 30C)

Qualified Plug-in Electric Drive Motor Vehicle Tax Credit

A tax credit is available for the purchase of a new qualified plug-in electric drive motor vehicle that draws propulsion using a traction battery that has at least four kilowatt hours of capacity, uses an external source of energy to recharge the battery, has a gross vehicle weight rating of up to 14,000 pounds, and meets specified emission standards. The minimum credit amount is \$2,500, and the credit may be up to \$7,500, based on each vehicle's traction battery capacity and the gross vehicle weight rating. The credit will begin to be phased out for each manufacturer in the second quarter following the calendar quarter in which a minimum of 200,000 qualified plug-in electric drive vehicles have been sold by that manufacturer for use in the U.S. This tax credit applies to vehicles acquired after December 31, 2009, and expires December 31, 2014. Through December 31, 2011, qualified plug-in electric vehicle conversions are also eligible for a tax credit for 10% of the conversion cost, not to exceed \$4,000. Additionally, a tax credit of up to 10% of the cost of qualified low-speed electric vehicles, electric motorcycles, and three-wheeled electric vehicles, not to exceed \$2,500, is available through December 31, 2011. (Reference Public Law 111-5, Sections 1141-1144, and 26 U.S. Code 30D)

Voluntary Airport Low Emission (VALE) Program

The goal of the VALE program is to reduce ground level emissions at commercial service airports located in designated ozone and carbon monoxide air quality nonattainment and maintenance areas. The VALE program provides funding through the Airport Improvement Program and the Passenger Facility Charges program for the purchase of low-emission vehicles, development of fueling and recharging stations, implementing gate electrification, and other airport air quality improvements. (Reference 49 U.S. Code 40101)

Congestion Mitigation and Air Quality (CMAQ) Improvement Program

The CMAQ Improvement Program provides funding to state departments of transportation (DOTs), municipal planning organizations (MPOs), and transit agencies for projects and programs in air quality non-attainment and maintenance areas that reduce transportation-related emissions. Eligible activities include transit improvements, travel demand management strategies, traffic flow improvements, purchasing idle reduction equipment, development of alternative fueling infrastructure, conversion of public fleet vehicles to operate on cleaner fuels, and outreach activities that provide assistance to diesel equipment and vehicle owners and operators regarding the purchase and installation of diesel retrofits. State DOTs and MPOs must give priority to projects and programs to include diesel retrofits and other cost-effective emissions reduction activities, and cost-effective congestion mitigation activities that provide air quality benefits. For more information, visit the CMAQ Web site. (Reference 23 U.S. Code 149)

Clean Fuel Fleet Program (CFFP)

The CFFP was implemented under the Clean Air Act Amendments of 1990 and applies to fleets in ozone nonattainment areas. The CFFP requires that a percentage of new cars, and light- and medium-duty trucks purchased by certain fleets meet lower hydrocarbon and nitrogen oxide emission standards. Individual states must ensure that appropriate fuels are available for operating these clean-fueled fleet vehicles. For more information, visit the Clean Fuel Fleets Web site. (Reference 42 U.S. Code 7586)

*State Level

Below taken from http://www.afdc.energy.gov/afdc/progs/view_ind_mtx.php/tech/ELEC/US/0

United States (Federal)

Air Pollution Control Program

The Air Pollution Control Program assists state, local, and tribal agencies in planning, developing, establishing, improving, and maintaining adequate programs for prevention and control of air pollution or implementation of national air quality standards. Plans may emphasize alternative fuels, vehicle maintenance, and transportation choices to reduce vehicle miles traveled. Eligible applicants may receive federal funding for up to 60% of project costs to implement their plans. (Reference 42 U.S. Code 7405)

Point of Contact

U.S. Environmental Protection Agency

Phone (202) 272-0167

<http://www.epa.gov>

Congestion Mitigation and Air Quality (CMAQ) Improvement Program

The CMAQ Improvement Program provides funding to state departments of transportation (DOTs), municipal planning organizations (MPOs), and transit agencies for projects and programs in air quality non-attainment and maintenance areas that reduce transportation-related emissions. Eligible activities include transit improvements, travel demand management strategies, traffic flow improvements, purchasing idle reduction equipment, development of alternative fueling infrastructure, conversion of public fleet vehicles to operate on cleaner fuels, and outreach activities that provide assistance to diesel equipment and vehicle owners and operators regarding the purchase and installation of diesel retrofits. State DOTs and MPOs must give priority to projects and programs to include diesel retrofits and other cost-effective emissions reduction activities, and cost-effective congestion mitigation activities that provide air quality benefits. For more information, visit the CMAQ Web site. (Reference 23 U.S. Code 149)

Point of Contact

Federal Highway Administration

U.S. Department of Transportation
<http://www.fhwa.dot.gov/index.html>

Clean Construction USA

Clean Construction USA is a voluntary program that promotes the reduction of diesel exhaust emissions from construction equipment and vehicles by encouraging proper operations and maintenance, use of emission-reducing technologies, and use of cleaner fuels. Clean Construction USA is part of the U.S. Environmental Protection Agency's National Clean Diesel Campaign, which offers funding for clean diesel construction equipment projects.

Point of Contact

Trish Koman
National Clean Diesel Campaign
U.S. Environmental Protection Agency
Phone (734) 214-4955
Fax (734) 214-4869
koman.trish@epa.gov
<http://www.epa.gov/cleandiesel/>

Clean Ports USA

Clean Ports USA is an incentive-based program designed to reduce emissions by encouraging port authorities and terminal operators to retrofit and replace older diesel engines with new technologies and use cleaner fuels. The U.S. Environmental Protection Agency's National Clean Diesel Campaign offers funding to port authorities and public entities to help them overcome barriers that impede the adoption of cleaner diesel technologies and strategies.

Point of Contact

Trish Koman
National Clean Diesel Campaign
U.S. Environmental Protection Agency
Phone (734) 214-4955
Fax (734) 214-4869
koman.trish@epa.gov
<http://www.epa.gov/cleandiesel/>

Clean Fuels Grant Program

The Clean Fuels Grant Program assists designated ozone and carbon monoxide air quality nonattainment and maintenance areas in achieving or maintaining the National Ambient Air Quality Standards through grant funding. The program accelerates the deployment of advanced bus technologies by supporting the use of low-emission

vehicles in transit fleets. The program assists transit agencies in purchasing low-emission buses and related equipment, constructing alternative fuel stations, modifying garage facilities to accommodate clean fuel vehicles, and assisting with the use of biodiesel. For more information, see the Clean Fuels Grant Program fact sheet.

(Reference 49 U.S. Code 5308 and 49 CFR 624)

Point of Contact

Federal Transit Administration, Office of Program Management

U.S. Department of Transportation

Phone (202) 366-4020

<http://www.fta.dot.gov/index.html>

State Energy Program (SEP) Funding

The SEP provides grants to states to assist in designing, developing, and implementing renewable energy and energy efficiency programs. Funding from the SEP is directed to state energy offices, and each state's energy office manages all SEP-funded projects.

States may also receive project funding from technology programs in the U.S.

Department of Energy's Office of Energy Efficiency and Renewable Energy (EERE) for SEP Special Projects. EERE distributes the funding through an annual competitive solicitation to state energy offices. For more information about the SEP, including SEP project descriptions, visit the SEP Web site.

Point of Contact

U.S. Department of Energy

Phone (800) 342-5363

Fax (202) 586-4403

<http://www.energy.gov>

Improved Energy Technology Loans

The U.S. Department of Energy (DOE) provides loan guarantees through the Loan Guarantee Program (Program) to eligible projects that reduce air pollution and greenhouse gases, and support early commercial use of advanced technologies, including biofuels and alternative fuel vehicles. The Program is not intended for research and development projects. DOE may issue loan guarantees for up to 100% of the amount of the loan for an eligible project. For loan guarantees of over 80%, the loan must be issued and funded by the Treasury Department's Federal Financing Bank. For additional Program guidelines and solicitation announcements, please visit the Loan Guarantee Program Web site. (Reference 42 U.S. Code 16513)

Point of Contact

U.S. Department of Energy

Phone (800) 342-5363

Fax (202) 586-4403

<http://www.energy.gov>

State-Level Incentives

Compiled using the U.S. DOE Alternative Fuels & Advanced Vehicles Data Center:
http://www.afdc.energy.gov/afdc/progs/tech_matrix.php

Alaska

Alternative Fuel Use

The state Department of Transportation (DOT) is required to consider using alternative fuels for automotive purposes whenever practicable. The DOT may participate in joint ventures with public or private partners that will foster the availability of alternative fuels for all consumers of automotive fuel. (Reference Alaska Statutes 44.42.020)

Arizona

Alternative Fuel Vehicle (AFV) License Tax

The initial annual vehicle license tax on an AFV is lower than the license tax on conventional vehicles. The vehicle license tax on an AFV is \$4 for every \$100 in assessed value. The assessed value of the AFV is determined as follows: during the first year after initial registration, the value of the AFV is 1% of the manufacturer's base retail price (as compared to 60% for conventional vehicles); during each succeeding year, the value of the AFV is reduced by 15%. The minimum amount of the license tax is \$5 per year for each motor vehicle subject to the tax. (Reference Arizona Revised Statutes 28-5805 and 28-5801)

Electric Vehicle (EV) Equipment Tax Credit

A tax credit of up to \$75 is available to individuals for the installation of EV recharging outlets in a house constructed by a taxpayer. (Reference Arizona Revised Statutes 43-1090 and 43-1176)

California

Employer Invested Emission Reduction Funding - South Coast

The South Coast Air Quality Management District (SCAQMD) administers the Air Quality Investment Program (AQIP). The AQIP provides funding to allow employers within SCAQMD's jurisdiction to make annual investments into an administered fund to meet employers' emission reduction targets. The revenues collected are used to fund alternative mobile source emission/trip reduction programs, including alternative fuel

vehicle projects, on an on-going basis. Programs such as procurement of low-emission, alternative fuel or zero emission vehicles, and old vehicle scrapping may be considered for funding.

Point of Contact

Shashi Singeetham
Air Quality Specialist
South Coast Air Quality Management District
Phone (909) 396-3298
Fax (909) 396-3608
ssingeetham@aqmd.gov
<http://www.aqmd.gov/trans/aqip.html>

Alternative Fuel Vehicle (AFV) License Fee

In order to equalize the vehicle license fee between AFVs and conventional fuel vehicles, the incremental cost of purchasing an AFV is exempt from the vehicle license fee (of 2%) when the costs are more than the most comparable conventional fuel vehicle, as determined by the California Energy Commission. This reduction applies to new, light-duty AFVs that are certified to meet or exceed Ultra Low Emission Vehicle standards. This program expires January 1, 2009. (Reference California Revenue and Taxation Code 10759.5)

Alternative Fuel Vehicle (AFV) and Hybrid Electric Vehicle (AFV) Insurance Discount

Farmers Insurance provides a discount of up to 10% on all major insurance coverage for HEV and AFV owners. To qualify, the automobile must be: 1) a vehicle designed to use a dedicated alternative fuel as defined in the Energy Policy Act of 1992; or 2) an HEV. A complete Vehicle Identification Number is required to validate vehicle eligibility.

Alternative Fuel Vehicle (AFV) and Fueling Infrastructure Grants

The Assembly Bill (AB) 2766 Motor Vehicle Registration Fee Program provides funding for projects that reduce air pollution from on- and off-road vehicles. Eligible projects include purchasing AFVs and developing alternative fueling infrastructure. Contact local air districts for more information about available grant funding and distribution from the AB 2766 Motor Vehicle Registration Fee Program. (Reference Health and Safety Code 44220 (b))

Point of Contact

Yvette DiCarlo
Motor Vehicle Registration Fee Program
California Air Resources Board

Phone (916) 322-0285

ydicarlo@arb.ca.gov

<http://www.arb.ca.gov/planning/tsaq/mvrfp/mvrfp.htm>

Low-Emission Vehicle Incentives and Technical Training - San Joaquin Valley

The REMOVE II Program (Program) is administered by the San Joaquin Valley Air Pollution Control District (APCD) and provides incentives for the purchase of low-emission passenger vehicles, light-duty trucks, small buses, and trucks with Gross Vehicle Weight Ratings of 14,000 pounds or less. The purpose of the Program is to encourage the early introduction of low-emission vehicles in the San Joaquin Valley. The Program offers between \$1,000 and \$3,000 per vehicle and varies according to the emission certification level and size of the vehicle. Vehicles must be powered by alternative fuel, electric, or hybrid electric engines/motors. The Program also includes an Alternative Fuel Vehicle (AFV) Mechanic Training Component that provides incentives for the education of personnel on the mechanics, operation safety, and maintenance of AFVs, fueling stations, and tools involved in the implementation of alternative fuel technologies.

Technology Advancement Funding - South Coast

The South Coast Air Quality Management District's Clean Fuels Program provides funding for research, development, demonstration, and deployment projects that are expected to help accelerate the commercialization of advanced low-emission transportation technologies. Eligible projects have included: power trains and energy storage/conversion devices (e.g., fuel cells and batteries); and implementation of clean fuels (e.g. natural gas, propane, and hydrogen), including their infrastructures. Projects are selected via specific requests for proposals on an as-needed basis or through unsolicited proposals. Approximately \$10 million in funding is available annually with expected cost-share from other project partners and stakeholders.

Point of Contact

Dipankar Sarkar

Technology Demonstration Manager

South Coast Air Quality Management District

Phone (909) 396-2273

Fax (909) 396-3252

dsarkar@aqmd.gov

<http://www.aqmd.gov/tao/Demonstration/index.htm>

Alternative Fuel Vehicle (AFV) Rebate Program

The Fueling Alternatives vehicle rebate program is funded by the California Air Resources Board and provides grants of up to \$5,000 to consumers who purchase or lease eligible zero emission vehicles (ZEVs), plug-in hybrid electric vehicles, and AFVs

between May 24, 2007, and March 31, 2009. For the purposes of this program, ZEVs include full function battery electric vehicles, hydrogen fuel cell vehicles, low-speed or neighborhood electric vehicles, and zero emission motorcycles.

Point of Contact

Mary Venables
Fueling Alternatives Program Manager
California Center for Sustainable Energy
Phone 866-984-2532
Fax (858) 244-1178
fuelingalts@energycenter.org
<http://www.fuelingalts.energycenter.org>

Alternative Fuel and Vehicle Research and Development Incentives

The Alternative and Renewable Fuel and Vehicle Technology Program (Program), administered by the California Energy Commission, aims to increase the use of alternative and renewable fuels and innovative technologies. The Program provides grants and loans for projects that:

- * develop and improve alternative and renewable low-carbon fuels;
- * optimize alternative and renewable fuels for existing and developing engine technologies;
- * produce alternative and renewable low-carbon fuels in California;
- * decrease the overall impact of an alternative and renewable fuel's life-cycle carbon footprint and increase sustainability;
- * expand fuel infrastructure, fueling stations, and equipment;
- * improve light-, medium-, and heavy-duty vehicle technologies;
- * retrofit medium- and heavy-duty on-road and non-road vehicle fleets;
- * expand infrastructure connected with existing fleets, public transit, and transportation corridors; and
- * establish workforce training programs, conduct public education and promotion, and create technology centers.

(Reference Assembly Bill 109, 2008, and California Health and Safety Code 44270-44274.7)

Point of Contact

Peter Ward
Manager, Alternative and Renewable Fuel & Vehicle Technology Program
California Energy Commission
Phone (916) 654-4639
Fax (916) 654-4676

pward@energy.state.ca.us
<http://www.energy.ca.gov/altfuels/index.html>

Colorado

Alternative Fuel Infrastructure Tax Credit

For tax years beginning prior to January 1, 2011, the Colorado Department of Revenue offers an income tax credit for the cost of construction, reconstruction, or acquisition of an alternative fueling facility that is directly attributable to the storage, compression, charging, or dispensing of alternative fuels to motor vehicles. The credit value is as follows:

Tax Year	Tax Credit
2009-2011	20%
2006-2009	35%

For an alternative fueling facility that will be generally accessible for use by the public, in addition to the person claiming the credit, the percentages specified above will be multiplied by 1.25. If at least 70% of the alternative fuel dispensed annually is derived from a renewable energy source for a period of 10 years, the credit percentages specified above will be multiplied by 1.25. Certification for the percentage of renewable energy must be presented, as requested, to the Department of Revenue. The credit has a maximum value of \$400,000 in any consecutive five-year period for each fueling facility. For more information about this credit, see the Colorado Department of Revenue's Alternative Fuel Income Tax Credits Web site.

(Reference Colorado Revised Statutes 39-22-516)

Point of Contact

Tax Information Call Center
Colorado Department of Revenue
Phone (303) 238-7378
<http://www.revenue.state.co.us/main/home.asp>

Alternative Fuel Vehicle (AFV) and Hybrid Electric Vehicle (HEV) Tax Credit

An income tax credit is available from the Colorado Department of Revenue for the purchase of an AFV or the conversion of a vehicle to operate using an alternative fuel, based on the incremental or conversion cost. HEVs also qualify for this incentive. This credit is only available in the year during which the vehicle was purchased or converted, and a vehicle may only qualify for this credit one time. For an AFV purchase or conversion that permanently replaces a motor vehicle or power source that is ten or more years old, the percentage specified in the table below is doubled, up to a maximum of 100% of the incremental or conversion cost. To the extent the allowable

credit exceeds the person's tax liability for that year the excess may be carried forward for up to five years. Lessees or lessors of qualifying vehicles are also eligible for the credit. The value of the credit is based on the EPA emissions classification of the vehicle as follows:

Type of Vehicle	Tax Year Beginning Prior to January 1, 2010	January 1, 2010-January 1, 2012
Low Emission Vehicle (LEV)	50%	25%
Ultra Low or Inherently Low Emission Vehicle (ULEV or ILEV)	75%	50%
Super Ultra Low or Zero Emission Vehicle (SULEV or ZEV)	85%	75%

Alternative Fuel Vehicle (AFV) Rebate

A rebate is available from the Colorado Department of Revenue for the purchase of an AFV or for the conversion of a vehicle to operate using an alternative fuel. Vehicles must be owned by the State of Colorado, a political subdivision of the state, or a tax-exempt organization, and be used in connection with the official activities of the entity. HEVs also qualify for this incentive. The rebate is a percentage of the incremental cost if used toward purchasing a new AFV, or is a percentage of the conversion cost if used towards the cost of converting a vehicle to operate using an alternative fuel. For an AFV purchase or conversion that permanently replaces a motor vehicle or power source that is ten or more years old, the percentage specified in the table below is doubled, up to a maximum of 100% of the incremental or conversion cost. Each qualified entity is limited to \$350,000 per state fiscal year in total rebates paid. The rebate value is as follows:

Certification Level	For Costs Incurred 2006-2009	For Costs Incurred 2009-2011
Low Emission Vehicle (LEV)	25%	0%
Ultra Low or Inherently Low Emission Vehicle (ULEV or ILEV)	50%	25%

Certification Level	For Costs Incurred 2006-2009	For Costs Incurred 2009-2011
Super Ultra Low or Zero Emission Vehicle (SULEV or ZEV)	75%	50%

For more information about this rebate, see the Colorado Department of Revenue's Alternative Fuel Income Tax Credits Web site.

(Reference Colorado Revised Statutes 39-33-101 through 39-33-106)

Point of Contact

John Doty
 AFV/Hybrid Taxes and Rebates
 Colorado Department of Revenue
 Phone (303) 205-8211
jdoty@spike.dor.state.co.us
http://www.revenue.state.co.us/mv_dir/home.asp

District of Columbia

Hybrid Electric Vehicle (HEV) and Alternative Fuel Vehicle (AFV) Tax Exemption

The District of Columbia Department of Motor Vehicles Reform Amendment Act of 2004 allows for the exemption of vehicle excise taxes for owners of HEVs, AFVs, electric, fuel cell and lean-burn vehicles, provided that the vehicle qualifies for the federal tax credit under the Energy Policy Act of 2005. Additionally, vehicle registration fees for qualified HEVs and AFVs are reduced to \$36 per year. (Reference District of Columbia Code 50-2201.03(j)(3) and 50-1501.03)

Georgia

Zero Emission Vehicle (ZEV) Tax Credit

An income tax credit is available for up to 20% of the cost to purchase or lease a ZEV, or \$5,000, whichever is less. ZEVs include, but are not limited to, battery-only electric vehicles and hydrogen fuel cell vehicles. Low-speed vehicles do not qualify for this credit. The credit cannot exceed the taxpayer's income tax liability, but any portion of the credit not used in the year the ZEV is purchased or leased can be carried over for up to five additional years. (Reference Georgia Code 48-7-40.16)

Point of Contact

James Udi
Environmental Specialist
Georgia Environmental Protection Division
Phone (404) 363-7046
Fax (404) 362-2534
james_udi@dnr.state.ga.us

Alternative Fuel Vehicle (AFV) Tax Credit

An income tax credit is available for the purchase, lease, or conversion of a vehicle that operates solely on an alternative fuel and meets the U.S. Environmental Protection Agency (EPA) certification of a Low Emission Vehicle (LEV). The credit is worth up to 10% of the cost of a new AFV or up to 10% of the cost of converting the vehicle to operate on an alternative fuel, or \$2,500, whichever is less. The credit cannot exceed the taxpayer's income tax liability, but any portion of the credit not used in the year the AFV is purchased or converted can be carried over for up to five additional years. This incentive does not apply to hybrid electric vehicles. (Reference Georgia Code 48-7-40.16)

Point of Contact

James Udi
Environmental Specialist
Georgia Environmental Protection Division
Phone (404) 363-7046
Fax (404) 362-2534
james_udi@dnr.state.ga.us

Electric Vehicle (EV) Charger Tax Credit

An income tax credit is available to any eligible business enterprise for the purchase or lease of each EV charger that is located in the state. The amount of the credit is 10% of the cost of the charger or \$2,500, whichever is less. (Reference Georgia Code 48-7-40.16)

Point of Contact

James Udi
Environmental Specialist
Georgia Environmental Protection Division
Phone (404) 363-7046
Fax (404) 362-2534
james_udi@dnr.state.ga.us

Hawaii

Alternative Fuels Promotion

The state of Hawaii has signed a Memorandum of Understanding (MOU) with the U.S. Department of Energy (DOE) Assistant Secretary for Energy Efficiency and Renewable Energy (EERE) to establish the Hawaii Clean Energy Initiative. DOE and the state pledge to collaborate to produce 70% of the state's energy needs from renewable sources by 2030. The goals of the partnership include defining the structural transformation required to transition the state to a clean energy-dominated economy; demonstrate and foster innovation in the use of clean energy, including alternative fuels; create opportunities for the widespread distribution of clean energy benefits; establish an open learning model for other states and entities to adopt; and build a workforce with cross-cutting skills to support a clean energy economy in the state. For more information about Hawaii Clean Energy Initiative, see the full text of the MOU (PDF 108 KB). [Download Adobe Reader](#)

Illinois

Fleet User Fee Exemption

An annual user fee of \$20 per vehicle is imposed on fleets with 10 or more vehicles in defined areas. Owners of state, county, or local government vehicles or electric vehicles are exempt from this fee. Fees are collected into the Alternate Fuels Fund. (Reference 415 Illinois Compiled Statutes 120/35)

Alternative Fuel Vehicle (AFV) and Alternative Fuel Rebates

The Illinois Alternate Fuels Rebate Program (Program) provides a rebate for 80% of the incremental cost of purchasing an AFV (up to \$4,000), 80% of the cost of federally certified AFV conversions (up to \$4,000), and for the incremental cost of purchasing alternative fuels. Eligible fuels for the program include E85, diesel fuel blends containing at least 20% biodiesel (B20), natural gas, propane, electricity, and hydrogen. A vehicle is only eligible to receive one rebate in its lifetime. The AFV or conversion system must be purchased from an Illinois-based company or vendor, except if the vehicle is a heavy-duty specialty vehicle that is not sold in Illinois. Only hybrid electric vehicles fueled with alternative fuels are eligible. To be eligible for a fuel rebate, the majority of fuel purchases must be made from Illinois retail stations or fuel suppliers. The E85 fuel rebate is up to \$450 per year (depending on vehicle miles traveled) for up to three years for each flexible fuel vehicle that uses E85 at least half the time. The biodiesel fuel rebate (for B20 and higher blends) is for 80% of the incremental cost of the biodiesel fuel, as compared to conventional diesel. The Program is open to all Illinois residents, businesses, government units (except federal government), and organizations located in Illinois. (Reference 415 Illinois Compiled Statutes 120/30)

Point of Contact

Darwin Burkhart
Manager, Clean Air Programs
Illinois Environmental Protection Agency and Chicago Area Clean Cities Coalition
Phone (217) 524-5008
Fax (217) 557-2559
darwin.burkhart@illinois.gov
<http://www.illinoisgreenfleets.org>

Indiana

Alternative Fuel Vehicle (AFV) Manufacturer Tax Credit

The Indiana Economic Development Corporation (IEDC) may award tax credits under the Hoosier AFV Manufacturer Tax Credit to foster job creation, reduce dependency on imported energy sources, and reduce air pollution resulting from the manufacture or assembly of AFVs in Indiana. AFV manufacturers are eligible for tax credits of up to 15% of the qualified investment for which the credit is claimed. Qualified investments include expenditures in the state that are reasonable and necessary for the manufacture or assembly of AFVs. For the purpose of this incentive, AFVs are defined as vehicles designed to operate on E85, natural gas, liquefied petroleum gas, hydrogen, coal-derived liquid fuels, non-alcohol fuels derived from biological material, P-Series fuels, or electricity. Applications for this incentive must be reviewed and approved by the IEDC. The credit applies to taxable years beginning after December 31, 2006, and before December 31, 2012. Unused credits may be carried forward for up to nine consecutive taxable years. (Reference Indiana Code 6-3.1-31.9)

Vehicle Research and Development Grants

The Indiana 21st Century Research and Technology Fund is administered by the Indiana Economic Development Corporation and provides grants and loans to support proposals for economic development in areas including alternative fuel technologies and fuel-efficient vehicle production. (Reference Indiana Code 5-28-16-2)

Point of Contact

Linda Peterson-Roe
Program Manager
Indiana 21st Century Research and Technology Fund
Phone (317) 234-4652
Fax (317) 232-6786
lpeterson-roe@iedc.in.gov
<http://www.21fund.org/>

Iowa

Alternative Fuel Vehicle (AFV) Demonstration Grants

The Iowa Department of Natural Resources conducts marketing and education outreach to encourage the use of alternative fuels and, contingent upon funding, also awards demonstration grants to individuals who purchase vehicles that operate on alternative fuels, including but not limited to, high ethanol content blends, compressed natural gas, electricity, solar energy, or hydrogen. (Reference Iowa Code 214A.19)

Louisiana

Alternative Fuel Vehicle (AFV) and Fueling Infrastructure Tax Credit

The state offers an income tax credit worth 20% of the cost of converting a vehicle to operate on an alternative fuel, 20% of the incremental cost of purchasing an Original Equipment Manufacturer (OEM) AFV or hybrid electric vehicle (HEV), and 20% of the cost of constructing an alternative fueling station. Only vehicles registered in Louisiana can receive the tax credit. For the purpose of this incentive, alternative fuels include compressed natural gas, liquefied natural gas, liquefied petroleum gas, methanol, ethanol, electricity, and any other fuels which meet or exceed federal clean air standards. (Reference Louisiana Revised Statutes 47:38 and 47:287.757)

Point of Contact

Taxpayer Services Division
Louisiana Department of Revenue
Phone (225) 219-0067

Maine

Alternative Fuel Vehicle (AFV) and Fueling Infrastructure Loans

The Clean Fuel Vehicle Fund is a non-lapsing revolving loan fund managed by the Finance Authority of Maine and may be used for direct loans to finance all or part of any clean fuel vehicle project. The Finance Authority of Maine may also insure up to 100% of mortgage payments with respect to mortgage loans for clean fuel vehicle projects. (Reference Maine Revised Statutes Title 10, Sections 1023-K and 1026-A)

Maryland

Hybrid Electric Vehicle (HEV) and Electric Vehicle (EV) Tax Credit

A tax credit is allowed against the excise tax imposed for the purchase of qualified HEVs and EVs. For qualified EVs, the tax credit may not exceed \$2,000. For qualified HEVs, the credit may not exceed: a) \$250 if the vehicle battery provides at least 5% but less than 10% of maximum power available; b) \$500 if the vehicle battery provides at least 10% but less than 20% of maximum power available; c) \$750 if the vehicle battery provides at least 20% but less than 30% of maximum power available; d) \$1,000 if the vehicle battery provides at least 30% of maximum power available. A qualified EV must meet the definition set forth in the Internal Revenue Code. A qualified HEV must meet the current vehicle exhaust standard set under the federal Tier 2 program for passenger vehicles. (Reference Maryland Statutes, Transportation Code 13-815)

Michigan

Alternative Fuel and Vehicle Research, Development, and Manufacturing Tax Credits

Effective January 1, 2008, taxpayers certified by the Michigan NextEnergy Authority (MNEA) may claim a nonrefundable credit for tax liability attributable to research, development, or manufacturing of qualified alternative fuel vehicles (AFVs) and renewable fuel. For the purpose of this incentive AFVs include fuel cell, electric, hybrid electric, natural gas, E85, liquefied petroleum gas, and hydrogen vehicles. Renewable fuels include biodiesel blends of at least 20%. Additionally, businesses located within the designated Alternative Energy Zone that are engaged in qualified activities may claim a credit for the taxpayer's qualified payroll amount. (Reference Michigan Compiled Laws 207.821-207.827 and 208.1429)

Alternative Fuel Development Property Tax Exemption

A tax exemption may apply to industrial property which is used for, among other purposes, high-technology activities or the creation or synthesis of biodiesel fuel. High-technology activities include those related to advanced vehicle technologies such as electric, hybrid, or alternative fuel vehicles and their components. In order to qualify for the tax exemptions, an industrial facility must obtain an exemption certificate for the property from the State Tax Commission. (Reference Michigan Compiled Laws 207.552 and 207.803)

Montana

Alternative Fuel Vehicle (AFV) Conversion Tax Credit

An income tax credit is available to businesses or individuals for up to 50% of the equipment and labor costs for converting vehicles to operate on alternative fuels. Qualified alternative fuels are compressed and liquefied natural gas, liquefied petroleum gas, hydrogen, electricity, and fuel that is at least 85% ethanol or methanol. A maximum credit of \$500 is available for the conversion of vehicles with a Gross Vehicle Weight

Rating (GVWR) of 10,000 pounds (lbs.) or less and \$1,000 for vehicles with a GVWR of more than 10,000 lbs. The credit must be applied in the year the conversion is made, and the seller of an alternative fuel may not receive a credit for converting their own vehicles to operate on the alternative fuel they sell. (Reference Montana Code Annotated 15-30-164)

Nebraska

Alternative Fuel Vehicle (AFV) and Fueling Infrastructure Loans

The Nebraska Energy Office administers the Dollar and Energy Saving Loans Program (Program). The Program makes low-cost loans available for a variety of alternative fuel projects, including: the replacement of conventional vehicles with AFVs; the purchase of new AFVs; the conversion of conventional vehicles to operate on alternative fuels; and the construction or purchase of a fueling station or equipment. Dedicated AFVs are eligible, and loans may go towards a portion of the cost of dual-fuel vehicles. The maximum loan amount is \$150,000 per borrower, and the interest rate is 5% or less. Point of Contact

General Inquiries
Nebraska State Energy Office
Phone (402) 471-2867
Fax (402) 471-3064
energy@nebraska.gov
<http://www.neo.ne.gov/loan/index.html>

Nevada

Provision for Establishment of Alternative Fuel Incentives

In conjunction with the Nevada Department of Business and Industry, the Nevada Department of Conservation and Natural Resources is authorized to develop and administer a program to provide incentives to encourage the use of alternative fuels in motor vehicles, specifically by individuals and others not required by state statute to purchase alternative fuel vehicles. (Reference Nevada Revised Statutes 486A.200)

New Hampshire

Alternative Fuel Vehicle (AFV) and Fueling Infrastructure Project Funding

The New Hampshire Department of Environmental Services (DES) and the Granite State Clean Cities Coalition (GSCCC) provide competitive funding to expand the use of alternative fuels, AFVs, and advanced technology vehicles in New Hampshire. Only

projects located in the ozone non-attainment or maintenance areas in the state are eligible for funding. For more information see the GSCCC Web site.

New Jersey

Alternative Fuel Vehicle (AFV) and Hybrid Electric Vehicle (HEV) Rebate

New Jersey's AFV Rebate Program offers rebates to local government entities that convert vehicles to operate on alternative fuels or purchase original equipment manufacturer (OEM) AFVs. The rebate amounts, shown in the table below, can be used to cover the cost of converting a vehicle to operate on an alternative fuel or to cover the incremental cost of purchasing an OEM AFV, and vary according to the gross vehicle weight rating (GVWR) and whether the vehicle is dedicated or bi-fuel. HEVs may also qualify for the rebates. Eligible entities include local governments, state colleges and universities, school districts, and governmental authorities. The initial funding for this program was provided by a federal Congestion Mitigation and Air Quality (CMAQ) Improvement Program grant.

GVWR (in pounds)	Rebate Amount (dedicated or hybrid)	Rebate Amount (bi-fuel)
Light-duty (<8,500)	Up to \$4,000	Up to \$2,000
Medium-duty (8,500-14,000)	Up to \$7,000	Up to \$4,000
Heavy-duty (>14,000)	Up to \$12,000	Up to \$6,000

Point of Contact

John Zarzycki
 Project Manager
 New Jersey Board of Public Utilities, Office of Clean Energy
 Phone (973) 648-4967
john.zarzycki@bpu.state.nj.us

Alternative Fuel Infrastructure Rebate

New Jersey's Alternative Fuel Infrastructure Program has funding available to reimburse eligible local governments, state colleges and universities, school districts, and governmental authorities for 50% of the cost of purchasing and installing refueling infrastructure for alternative fuels. Up to \$50,000 is available per applicant. Eligible fuels include natural gas, propane, electricity, ethanol (E85), and hydrogen.

Point of Contact

John Zarzycki
Project Manager
New Jersey Board of Public Utilities, Office of Clean Energy
Phone (973) 648-4967
john.zarzycki@bpu.state.nj.us

New Mexico

Alternative Fuel Vehicle (AFV) Manufacturing Tax Credit

The Alternative Energy Product Manufacturers Tax Credit provides a credit against combined reporting taxes (gross receipts, compensating, and withholding) for manufacturing alternative energy products, which include hydrogen and fuel cell vehicle systems, and electric and hybrid electric vehicles. The credit is limited to 5% of qualifying expenditures, and manufacturers must fulfill job creation requirements to be eligible. (Reference New Mexico Statutes 7-9J)

Alternative Fuel Vehicle (AFV) and Fueling Infrastructure Grants

The Energy Conservation and Management Division of Energy, Minerals, and Natural Resources Department (EMNRD) provides grants on a competitive basis to eligible applicants to support alternative fuel activities including the purchase of AFVs, infrastructure development, alternative fuel training, or related activities in New Mexico. Eligible applicants must submit proposals within specified dates as determined by the EMNRD. Funds are available on an annual basis; this program is supported by federal funding.

In addition, the Advanced Energy Technologies Economic Development Act established the Clean Energy Grants Program, which provides state grants for projects utilizing clean energy technologies and providing clean energy education, technical assistance, and training programs. Qualifying entities are municipalities and county governments, state agencies, state universities, public schools, post-secondary educational institutions, and Indian nations, tribes and pueblos. No single entity is eligible to receive more than \$100,000. (Reference New Mexico Statutes 71-7-1 to 71-7-7)

Alternative Fuel Vehicle (AFV) and Hybrid Electric Vehicle (HEV) Acquisitions and Loans

The Alternative Fuel Acquisition Act of 1992 requires that 75% of state government and educational institution fleet vehicles purchased be bi-fuel or dedicated AFVs or HEVs. Certified law enforcement pursuit vehicles and emergency vehicles are exempt from this requirement. Up to \$5 million is authorized for a revolving loan fund for AFV acquisitions by state agencies, political subdivisions, and educational institutions. The maximum amount of a loan to acquire a vehicle must not exceed the actual cost of acquiring the

vehicle or \$3,000, whichever is less. Projected fuel cost savings from using the AFV is considered when the loan repayment schedule is developed. (Reference New Mexico Statutes 13-1B)

New York

Alternative Fuel Vehicle (AFV) and Fueling Infrastructure Funding

The New York State Clean Cities Challenge, administered by the New York State Energy Research and Development Authority (NYSERDA), awards funds to members of New York's Clean Cities Coalitions that acquire AFVs or install AFV fueling or recharging infrastructure. Funds are awarded on a competitive basis, and can be used to cost-share up to 75% of the proposed project, including the incremental cost of purchasing AFVs, the cost of installing fueling and recharging equipment, and the incremental costs associated with bulk alternative fuel purchases. Consideration, in ranking order, will be given to projects that:

- * Offset the greatest amount of petroleum per year;
- * Result in the greatest emissions reduction;
- * Affect Clean Air non-attainment areas or areas targeted by the Energy Policy Act (EPA) regulations;
- * Result in new fueling or recharging facilities;
- * Benefit more than one fleet;
- * Provide a high level of visibility and innovation; and/or
- * Comprise unique public/private partnerships.

Point of Contact

Patrick Bolton
Senior Project Manager, Alternative Fuels & Vehicles
NYSERDA
Phone (518) 862-1090 x3322
Fax (518) 862-1091
ppb@nyserda.org
<http://www.nyserda.org/programs/transportation/>

Alternative Fuel and Advanced Technology Vehicle Funding - New York City

The New York City Private Fleet Alternative Fuel/Electric Vehicle Program, administered by the New York State Energy Research and Development Authority (NYSERDA) in cooperation with New York City Department of Transportation, helps private companies and non-profit organizations operating vehicles in New York City to acquire alternative fuel and advanced technology vehicles. Funds are awarded on a competitive basis for up to 50% of the incremental cost of purchasing new light-duty natural gas vehicles (NGVs) or electric vehicles (EVs), and up to 80% of the incremental cost for purchasing

new or converting medium- and heavy-duty NGVs (dedicated and bi-fuel), EVs, or hybrid electric vehicles. In addition, up to 50% of the costs for alternative fueling or EV charging station equipment and installation may be eligible.

Point of Contact

Patrick Bolton
Senior Project Manager, Alternative Fuels & Vehicles
NYSERDA
Phone (518) 862-1090 x3322
Fax (518) 862-1091
ppb@nyserda.org
<http://www.nyserda.org/programs/transportation/>

Alternative Fueling Infrastructure Tax Credit

A state tax credit is available for the installation of alternative fuel vehicle fueling infrastructure located in the state. The tax credit is equal to 50% of the cost of the infrastructure. This includes infrastructure for storing or dispensing an alternative fuel into the fuel tank of a motor vehicle powered by that fuel, as well as infrastructure used for recharging electric vehicles. Eligible alternative fuels include natural gas, liquefied petroleum gas, hydrogen, electricity, and any other fuel that is at least 85% ethanol or other alcohol. This credit does not apply after December 31, 2010. (Reference New York Tax Law 187-b)

North Carolina

Alternative Fuel Vehicle (AFV) and Hybrid Electric Vehicle (HEV) Grants

The Clean Fuel Advanced Technology (CFAT) project focuses on reducing transportation related emissions in North Carolina's non-attainment and maintenance counties for National Ambient Air Quality Standards. Projects that are adjacent to areas may also be eligible if emissions will be reduced in the eligible counties. The project is funded by the North Carolina Department of Transportation, State Energy Office, and the Division of Air Quality, and covers three broad areas: education and outreach; project funding; and recognition of exemplary activities. Although funding is not currently available, future financial support may be available for AFVs, fueling infrastructure, idle reduction technologies, heavy-duty HEVs, heavy-duty buses, and diesel retrofits.

Point of Contact

Anne Tazewell
Alternative Fuels Program Manager
North Carolina Solar Center, North Carolina State University
Phone (919) 513-7831
Fax (919) 515-6159
cleantransportation@ncsu.edu

Alternative Fuel Vehicle (AFV) Grants

Grants from the North Carolina Department of Environment and Natural Resources Division of Air Quality are available for the incremental cost of purchasing Original Equipment Manufacturer AFVs, vehicle conversions, implementing idle reduction programs, and constructing or installing public alternative fueling facilities. More than \$500,000 in funding is available.

Point of Contact

Anne Galamb
Environmental Specialist
Department of Environment and Natural Resources
Phone (919) 715-6296
Fax (919) 733-1812
anne.galamb@ncmail.net
http://www.daq.state.nc.us/motor/ms_grants

Alternative Fuel and Alternative Fuel Vehicle (AFV) Fund

The North Carolina State Energy Office administers an energy credit banking program which enables the state to generate funds from the sale of Energy Policy Act of 1992 (EPAAct) credits. The monies generated by the sale of EPAAct credits are deposited into the Alternative Fuel Revolving Fund (Fund), which enables state agencies to offset the incremental costs of purchasing alternative fuel, developing fueling infrastructure, and purchasing AFVs. Funds are distributed to state departments, institutions, and agencies in proportion to the number of EPAAct credits generated by each. For the purposes of this program, the definition of alternative fuel includes biodiesel (minimum of 20% biodiesel or B20), ethanol (minimum of 85% ethanol or E85), compressed natural gas, propane, and electricity, and includes hybrid electric vehicles. The Fund also covers additional projects approved by the Energy Policy Council. (Reference North Carolina General Statutes 143-58.4, 143-58.5, 143-341(8)i, and 136-28.13)

Alternative Fuel Vehicle (AFV) and Hybrid Electric Vehicle (HEV) Loans

State and local government credit unions offer green vehicle loans for new AFVs and HEVs. The loans are offered at a 1% interest rate discount as compared to traditional new vehicle loan rates.

Oklahoma

Alternative Fuel Vehicle (AFV) Tax Credit

For tax years beginning before January 1, 2010, Oklahoma provides a one-time income tax credit for 50% of the cost of converting a vehicle to operate on an alternative fuel, or

for 50% of the incremental cost of purchasing a new Original Equipment Manufacturer AFV. The state also provides a tax credit for 10% of the total vehicle cost, up to \$1,500, if the incremental cost of a new AFV cannot be determined or when an AFV is resold, as long as a tax credit has not been previously taken on the vehicle. The alternative fuels eligible for the credit are compressed natural gas, liquefied natural gas, liquefied petroleum gas, methanol, and electricity. For qualified electric vehicles propelled by electricity only, the basis for the credit is the full purchase price of the vehicle. For vehicles also equipped with an internal combustion engine, such as a hybrid electric vehicle, the basis for the credit is limited to the portion of such motor vehicle which is attributable to the propulsion of the vehicle by electricity. For more information, see Oklahoma Income Tax Form 511CR (PDF 219 KB). (Reference Senate Bill 1558, 2008, and Oklahoma Statutes 68-2357.22) Download Adobe Reader

Alternative Fuel Vehicle (AFV) and Fueling Infrastructure Loans

The Oklahoma Department of Central Services has an Alternative Fuels Conversion Loan program to help convert government-owned fleets to operate on alternative fuels. This program provides 0% interest loans for vehicle conversions, for the construction of fueling infrastructure, and for the incremental cost associated with the purchase of an Original Equipment Manufacturer AFV. The program provides up to \$10,000 per converted or newly purchased vehicle and up to \$150,000 for the development or installation of fueling infrastructure. Repayment of the loan has a maximum seven-year period. If the price of alternative fuels does not remain below the price of the conventional fuel that was replaced, repayment is suspended. Eligible applicants include state and county agencies and divisions, municipalities, school districts, mass transit authorities, and public trust authorities. (Reference Oklahoma Statutes 74-130.4)

Alternative Fuel Vehicle (AFV) Loans

Oklahoma has a private loan program with a 3% interest rate for the cost of converting private fleets to operate on alternative fuels, for the incremental cost of purchasing an Original Equipment Manufacturer AFV, and for the installation of AFV fueling infrastructure. The repayment of the loan has a maximum six-year period.
Point of Contact

Carolyn Sullivan
Energy Program Manager
Oklahoma Department of Commerce, State Energy Office
Phone (405) 815-5347
carolyn_sullivan@odoc.state.ok.us

Oregon

Alternative Fuel Infrastructure Tax Credit Information

Business owners and others who invest in alternative fuel production and fueling infrastructure projects in Oregon may be eligible for a state tax credit of up to 50% of eligible project costs through the Business Energy Tax Credit Program. Some projects (e.g. propane, compressed natural gas, liquefied natural gas) may only qualify for a tax credit of 35% of eligible costs. The tax credit is filed over five years. For projects with eligible costs of \$20,000 or less, the tax credit may be taken in one year. Unused credits can be carried forward up to eight years.

An eligible applicant (a project owner) must meet the following requirements:

1. Be a trade, business, or rental property owner with a business site in Oregon or be an Oregon non-profit organization, tribe, or public entity that partners with an Oregon business or resident;
2. Own or be the contract buyer of the project; and
3. Use the equipment or lease it to another person or business in Oregon.

Non-profit organizations, schools and other public entities that do not have an Oregon tax liability may participate in the Business Energy Tax Credit Program by using the Pass-through Option. Project owners may “pass-through” or transfer their tax credit project eligibility to a pass-through partner in exchange for a lump-sum cash payment. The Oregon Department of Energy determines the rate that is used to calculate the cash payment. The Pass-through Option is also available to a project owner with an Oregon tax liability who chooses to transfer his or her tax credit. For additional information on possible tax implications in using the Pass-through Option, please consult a tax professional.

(Reference Oregon Revised Statutes 316.116, 317.115, 469.160-469.180, and 469.185-469.225)

Point of Contact

Matt Hale
Clean Cities Coordinator
Columbia Willamette Clean Cities Coalition, Inc.
Phone (503) 373-7560
Fax (503) 373-7806
matt.hale@state.or.us
<http://www.cwcleancities.org>

Alternative Fuel Vehicle (AFV) and Hybrid Electric Vehicle (HEV) Tax Credit

The Oregon Department of Energy offers two income tax credits for AFVs and HEVs, one for residents and one for business owners. Oregon residents are eligible for a Residential Energy Tax Credit, which provides credits of up to \$1,500 toward the purchase of qualified AFVs and HEVs; currently, flexible fuel vehicles are not eligible. A credit of up to \$750 is also available for the cost of converting vehicles to operate on an alternative fuel.

Oregon business owners who invest in new HEVs for business use are eligible for a Business Energy Tax Credit of up to 35% of the incremental cost of the HEV. Business owners without an Oregon tax liability, non-profit organizations, and public entities may choose to transfer their tax credit eligibility to a business or individual with an Oregon tax liability in exchange for a cash payment equal to the pass-through rate at the time of application. Business owners with a tax liability may also choose to transfer their tax credit.

(Reference Oregon Revised Statutes 316.116, 469.160-469.180, and 801.375)

Point of Contact

Deby Davis

Program Analyst

Oregon Department of Energy

Phone (503) 378-4040 x291

Fax (503) 373-7806

deby.s.davis@state.or.us

<http://www.oregon.gov/ENERGY/TRANS/hybridcr.shtml>

Alternative Fuel Loans

The Oregon Department of Energy offers a loan program for energy efficiency, renewable resource, and alternative fuel projects. Eligible alternative fuel projects include fuel production facilities, dedicated feedstock production, fueling stations, and fleet vehicles. The program issues Oregon general obligation bonds to provide funds for the loans. Loan recipients must complete a loan application and pay a loan application fee. (Reference Oregon Revised Statutes 470.050)

Point of Contact

Jeff Keto

Assistant Director for Finance

Oregon Department of Energy

Phone (503) 373-7981

Fax (503) 373-7806

jeff.s.keto@state.or.us

<http://egov.oregon.gov/energy/loans>

Rhode Island

Alternative Fuel Vehicle (AFV) Loans

The Rhode Island Office of Energy Resources offers loans for up to five years, with low administrative fees, to state agencies and municipal governments to cover the incremental cost of purchasing original equipment manufactured AFVs.

Point of Contact

Tim Howe
Program Manager
Rhode Island Office of Energy Resources
Phone (401) 574-9104
Fax (401) 222-1260
timh@energy.ri.gov
<http://www.energy.ri.gov/programs/efficiency.php>

Electric Vehicle (EV) Tax Credit

A taxpayer entitled to a federal qualified EV tax credit is also entitled to a state tax credit equal to 25% of the federal qualified EV tax credit. (Reference Rhode Island Code 44-30-2.6)

Alternative Fuel Vehicle (AFV) Tax Exemption - Warren

The town of Warren may allow excise tax exemptions of up to \$100 for qualified AFVs registered in Warren. Qualified vehicles must be primarily fueled by one of the following: an electric motor drawing current from rechargeable batteries or fuel cells; gas produced from biomass, where biomass is defined as any organic material other than oil, natural gas, and coal; liquid, gaseous or solid synthetic fuels produced from coal; or coke or coke gas. (Reference Rhode Island Code 44-34-14)

South Carolina

Alternative Fuel Vehicle (AFV) Tax Credit

A state income tax credit equal to 20% of the federal fuel cell, advanced lean burn, HEV, and AFV credits is available to South Carolina resident taxpayers who are eligible for and claim the federal credits. If the amount of the credit exceeds the taxpayer's liability for the applicable tax year, any unused credit may be carried forward and claimed in the five succeeding taxable years. The state tax credit is calculated without regard to the phase out period limits of Internal Revenue Code Section 30(B)(f). (Reference South Carolina Code of Laws 12-6-3377)

Tennessee

Infrastructure Development Program

FastTrack Infrastructure Development Program funds may be used for alternative fueling infrastructure improvements. Funds may be used in situations where there is a commitment by certain private sector businesses to locate or expand in the state and to create or retain jobs for Tennesseans.

Point of Contact

Philip Trauernicht
Director, Program Management, Community Development
Tennessee Department of Economic and Community Development
Phone (615) 253-1903
Fax (615) 253-1870
philip.trauernicht@state.tn.us
http://www.state.tn.us/ecd/progman_tiiip.htm

Texas

Clean Vehicle and Equipment Grants

The Texas Emissions Reduction Plan (TERP) provides grants for various types of clean air projects in 41 counties to improve air quality in the state's non-attainment areas. Grants are available to purchase, convert, or repower on- and off-road vehicles and equipment. For complete information on the types of projects and expenses that may be eligible for a grant, refer to the TERP Web site. (Reference Texas Statutes, Health and Safety Code 386)

Point of Contact

Steve Dayton
Team Leader, Grant Contract Development
Texas Commission on Environmental Quality
Phone (512) 239-6824
Fax (512) 239-0077
sdayton@tceq.state.tx.us
<http://www.terpgrants.org>

Alternative Fuel Grants

The Texas Emissions Reduction Plan (TERP) provides grants for alternative fuel and advanced technology demonstration and infrastructure projects under the New Technology Research and Development (NTRD) Program, which provides incentives to encourage and support research, development, and commercialization of technologies that reduce pollution. For more information, see the NTRD Program Web site. The NTRD Program is administered by the Texas Environmental Research Consortium, with support from the Houston Advanced Research Center. (Reference Texas Statutes, Health and Safety Code 386)

Point of Contact

Yiqun Huang, PhD
Program Director, New Technology Research and Development
Houston Advanced Research Center

Phone (281) 364-4036
Fax (281) 363-7935
yhuang@harc.edu
<http://www.harc.edu>

Alternative Fuel Vehicle (AFV) Program Support and Technician Training

The Texas State Energy Conservation Office's (SECO) Alternative Fuels Program provides administrative support for the U.S. Department of Energy's Clean Cities program and U.S. Environmental Protection Agency's Clean School Bus Program, grant writing training for public and private entities, and funding for training and certification program development to educate mechanics on the technical aspects of alternative fuel vehicles. SECO promotes the reduction of petroleum use through four technology areas: fuel blends, fuel economy, hybrid electric vehicles, and idle reduction. (Reference Texas Statutes, Government Code 2305.035)

Point of Contact

Mary-Jo Rowan
Program Manager
Texas State Energy Conservation Office, Texas Comptroller of Public Accounts
Phone (512) 463-2637
Fax (512) 475-2569
mary-jo.rowan@cpa.state.tx.us
<http://www.seco.cpa.state.tx.us>

Electric Vehicle (EV) Rebates

Central Texas Clean Cities and Austin Energy offer an EV rebate to Austin Energy customers who purchase qualifying EVs, electric scooters, or electric bicycles from approved dealers. Applicants may receive the following rebates: \$500 for all-electric vehicles including neighborhood electric vehicles; \$250 for all-electric scooters or motorcycles capable of achieving more than 40 miles on a single charge at street-legal speeds; \$100 for all-electric scooters capable of achieving up to 20 miles on a single charge; and \$150 for all-electric bicycles capable of achieving up to 20 miles on a single charge. Rebate funding is limited and valid until March 31, 2009.

Point of Contact

Stacy Neef
Clean Cities Coordinator
Central Texas Clean Cities Coalition
Phone (512) 482-5343
Fax (512) 482-5454
stacy.neef@austinenergy.com
<http://www.cityofaustin.org/cleancities>

Alternative Fuel Vehicle (AFV) Grants - Houston-Galveston

Congestion Mitigation and Air Quality (CMAQ) Program Grants are available through the Houston-Galveston Area Council, via the Greater Houston Clean Cities Coalition, for up to 75% of the incremental cost for purchasing new original equipment manufactured clean fuel vehicles, clean fuel vehicle conversions/repowers, or establishing publicly accessible alternative fueling infrastructure. This grant is for government and private entities in the eight-county Houston-Galveston non-attainment area.

Point of Contact

Christine Smith
Clean Cities Coordinator
Greater Houston Clean Cities Coalition
Phone (832) 681-2556
cleancities@h-gac.com
<http://www.houston-cleancities.org>

Utah

Alternative Fuel Vehicle (AFV) and Fueling Infrastructure Grants and Loans

The Utah Clean Fuels and Vehicle Technology Grant and Loan Program, funded through the Clean Fuels and Vehicle Technology Fund, provides grants to assist businesses and government entities in covering: 1) the cost of converting a vehicle to operate on clean fuels; 2) the incremental cost of purchasing an Original Equipment Manufacturer (OEM) clean fuel vehicle; and 3) the cost of retrofitting diesel vehicles with U.S. Environmental Protection Agency verified closed crankcase filtration devices, diesel oxidation catalysts, and/or diesel particulate filters. The Clean-Fuels Grant and Loan Program also provides loans for the cost of converting a vehicle to operate on a clean fuel, for the purchase of OEM clean fuel vehicle, and for the purchase of fueling equipment for public/private sector business and government vehicles. Finally, the program can provide grants and loans to serve as matching funds for federal and non-federal grants for the purpose of vehicles to operate on a clean fuel, purchasing OEM clean fuel vehicles, or retrofitting diesel vehicles. (Reference Utah Code 19-1-401 through 19-1-405)

Point of Contact

Mat Carlile
Energy Program Coordinator
Utah Department of Environmental Quality, Division of Air Quality
Phone (801) 536-4136
Fax (801) 536-0085
mcarlile@utah.gov

Clean Fuel Vehicle Tax Credit

The state provides an income tax credit for 50% of the incremental cost (up to \$3,000 maximum) of a clean fuel vehicle built by an Original Equipment Manufacturer (OEM) and/or an income tax credit for 50% of the cost (up to \$2,500 maximum) of converting the vehicle to operate on an alternative fuel for vehicles purchased after January 1, 2001, and registered in Utah. If not previously used, the tax credit may be claimed on used vehicles. Tax credits are available for businesses and individuals, may be carried forward up to five years, and are not available for hybrid electric vehicles.

Documentation must be provided as described in the Utah state tax form TC-40V.

Effective January 1, 2009, the credit amount for OEM vehicles will decrease to 35% of the vehicle purchase price (up to \$2,500) for compressed natural gas vehicles registered in Utah; other clean fuel vehicles may be eligible for a credit of up to \$750.

(Reference House Bill 106, 2008, Utah Code 59-7-605 and 59-10-127)

Point of Contact

Mat Carlile

Energy Program Coordinator

Utah Department of Environmental Quality, Division of Air Quality

Phone (801) 536-4136

Fax (801) 536-0085

mcarlile@utah.gov

Incentive for Airport Alternative Fuels Use

The Salt Lake City Department of Airports provides incentives to commercial ground transportation providers who purchase and operate clean fuel vehicles exclusively using approved clean fuels (as designated by State of Utah Statute 59-13-102). Eligible vehicles are those that operate on compressed natural gas, propane, hydrogen, electricity, or hybrid electric vehicles. The incentives are in the form of a credit against ground transportation fees. Incentive credit amounts are \$2,500 for each Original Equipment Manufacturer vehicle or certified vehicle converted to operate on an alternative fuel. (Reference Salt Lake City Department of Airports Clean Fuel Policy Number 10.07.100)

Point of Contact

Ann-Marie Yoshida

Accountant

Salt Lake City Department of Airports

Phone (801) 531-3525

Fax (801) 575-2817

ann-marie.yoshida@slcgov.com

Vermont

Alternative Fuel and Advanced Vehicle Research and Development Tax Credit

Vermont businesses, that qualify as a high-tech business, involved exclusively in the design, development, and manufacture of alternative fuel vehicles, hybrid electric vehicles, and electric vehicles (EVs) or energy technology involving fuel sources other than fossil fuels, are eligible for up to three of the following tax credits: 1) payroll income tax credit; 2) qualified research and development income tax credit; 3) export tax incentive; 4) small business investment tax credit; and 5) high-tech growth tax credit. Certain limits and restrictions apply. (Reference Vermont Statutes Title 32, Chapter 151, Section 5930k)

Virginia

Alternative Fuel Job Creation Tax Credit

Businesses involved with the manufacture of components for alternative fuel vehicles (AFVs), AFV conversions, or the production, storage, or dispensing of hydrogen as a vehicle fuel are eligible for a job creation tax credit worth \$700 per full-time employee. The credit is allowed in the taxable year in which the job is created and in each of the two succeeding years in which the job is continued. Qualifying businesses include AFV component manufacturers and vehicle conversion companies. Qualified AFVs include vehicles that operate using natural gas, hydrogen, or electricity. This credit is effective for taxable years through December 31, 2011. (Reference Virginia Code 58.1-439.1)

Alternative Fuel Vehicle (AFV) Tax Reduction

Local governments have the option of reducing personal property taxes paid on AFVs, for vehicles that operate using natural gas, liquefied petroleum gas, hydrogen, or electricity. (Reference Virginia Code 58.1-3506)

Alternative Fuel Vehicle (AFV) and Fueling Infrastructure Loans

The Virginia Board of Education may use funding from the state Literary Fund to grant loans to school boards that convert school buses to operate on alternative fuels or construct alternative fueling stations. (Reference Virginia Code 22.1-146)

Washington

Alternative Fuel Vehicle (AFV) and Hybrid Electric Vehicle (HEV) Tax Exemption

Beginning January 1, 2009, new passenger cars, light-duty trucks, and medium-duty passenger vehicles that are dedicated AFVs are exempt from the state sales and use tax. Qualified vehicles must operate exclusively on natural gas, propane, hydrogen, or electricity, meet the California motor vehicle emissions standards effective January 1, 2005, and comply with the rules of the Washington Department of Ecology. In addition,

all new passenger cars, light-duty trucks, and medium-duty passenger vehicles that utilize hybrid electric technology and have a U.S. Environmental Protection Agency estimated highway fuel economy of at least 40 miles per gallon are exempt from state sales and use tax. This tax exemption expires January 1, 2011. (Reference Revised Code of Washington 82.08.809 and 82.08.813)

Electric and Plug-In Hybrid Electric Vehicle Demonstration Grants

The Vehicle Electrification Demonstration Grant Program is established within the Department of Community, Trade, and Economic Development (CTED), and administered by the Director of the CTED. Eligible applicants are state agencies, public school districts, public utility districts, or political subdivisions of the state. Grants may be awarded to projects involving the purchase or conversion of existing vehicles to plug-in hybrid electric vehicles or battery electric vehicles for use in an applicant's fleet or operations; additional eligibility requirements apply. (Reference Revised Code of Washington 43.325.110)