

107TH CONGRESS
2^D SESSION

H. R. 3631

To amend the Internal Revenue Code of 1986 to modify the electric motor vehicle credit, including an expansion of the credit to certain 3-wheeled vehicles.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 24, 2002

Mr. PASCRELL (for himself and Mr. FARR of California) 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 modify the electric motor vehicle credit, including an expansion of the credit to certain 3-wheeled 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 “Wider Incentives for
5 Non-Gasoline Small Electric Vehicles Act of 2002” or the
6 “WINGS EV Act of 2002”.

7 **SEC. 2. MODIFICATION OF CREDIT FOR QUALIFIED ELEC-**
8 **TRIC VEHICLES.**

9 (a) AMOUNT OF CREDIT.—

1 (1) IN GENERAL.—Section 30(a) of the Internal
2 Revenue Code of 1986 (relating to allowance of
3 credit) is amended by striking “10 percent of”.

4 (2) LIMITATION OF CREDIT ACCORDING TO
5 TYPE OF VEHICLE.—Section 30(b) of such Code (re-
6 lating to limitations) is amended—

7 (A) by striking paragraphs (1) and (2) and
8 inserting the following:

9 “(1) LIMITATION ACCORDING TO TYPE OF VE-
10 HICLE.—The amount of the credit allowed under
11 subsection (a) for any vehicle shall not exceed the
12 greatest of the following amounts applicable to such
13 vehicle:

14 “(A) In the case of a vehicle which con-
15 forms to the Motor Vehicle Safety Standard
16 500 prescribed by the Secretary of Transpor-
17 tation and in the case of an eligible 3-wheeled
18 vehicle, the lesser of—

19 “(i) 10 percent of the manufacturer’s
20 suggested retail price of the vehicle, or

21 “(ii) \$4,000.

22 “(B) In the case of a vehicle not described
23 in subparagraph (A) with a gross vehicle weight
24 rating not exceeding 8,500 pounds—

25 “(i) \$4,000, or

1 “(ii) \$6,000, if such vehicle is—

2 “(I) capable of a driving range of
3 at least 100 miles on a single charge
4 of the vehicle’s rechargeable batteries
5 and measured pursuant to the urban
6 dynamometer schedules under appen-
7 dix I to part 86 of title 40, Code of
8 Federal Regulations, or

9 “(II) capable of a payload capac-
10 ity of at least 1000 pounds.

11 “(C) In the case of a vehicle with a gross
12 vehicle weight rating exceeding 8,500 but not
13 exceeding 14,000 pounds, \$10,000.

14 “(D) In the case of a vehicle with a gross
15 vehicle weight rating exceeding 14,000 but not
16 exceeding 26,000 pounds, \$20,000.

17 “(E) In the case of a vehicle with a gross
18 vehicle weight rating exceeding 26,000 pounds,
19 \$40,000.”, and

20 (B) by redesignating paragraph (3) as
21 paragraph (2).

22 (3) CONFORMING AMENDMENTS.—

23 (A) Section 53(d)(1)(B)(iii) of such Code
24 is amended by striking “section 30(b)(3)(B)”
25 and inserting “section 30(b)(2)(B)”.

1 (B) Section 55(e)(2) of such Code is
2 amended by striking “30(b)(3)” and inserting
3 “30(b)(2)”.

4 (b) QUALIFIED BATTERY ELECTRIC VEHICLE.—

5 (1) IN GENERAL.—Section 30(c)(1)(A) of the
6 Internal Revenue Code of 1986 (defining qualified
7 electric vehicle) is amended to read as follows:

8 “(A) which is—

9 “(i) operated solely by use of a bat-
10 tery or battery pack, or

11 “(ii) powered primarily through the
12 use of an electric battery or battery pack
13 using a flywheel or capacitor which stores
14 energy produced by an electric motor
15 through regenerative braking to assist in
16 vehicle operation,”.

17 (2) ELIGIBLE 3-WHEELED VEHICLES IN-
18 CLUDED.—Subsection (c) of section 30 of such Code
19 is amended by adding at the end the following new
20 paragraph:

21 “(3) ELIGIBLE 3-WHEELED VEHICLES IN-
22 CLUDED.—

23 “(A) IN GENERAL.—An eligible 3-wheeled
24 vehicle shall not fail to be treated as a qualified

1 battery electric vehicle by reason of having only
2 3 wheels.

3 “(B) ELIGIBLE 3-WHEELED VEHICLE.—
4 The term ‘eligible 3-wheeled vehicle’ means any
5 vehicle which—

6 “(i) conforms to the motor vehicle
7 safety standards prescribed by the Sec-
8 retary of Transportation that are applica-
9 ble to motorcycles, and

10 “(ii) is capable of a driving range of
11 at least 50 miles on a single charge of the
12 vehicle’s rechargeable batteries and meas-
13 ured pursuant to the urban dynamometer
14 schedules under appendix I to part 86 of
15 title 40, Code of Federal Regulations.”

16 (3) LEASED VEHICLES.—Section 30(c)(1)(C) of
17 such Code is amended by inserting “or lease” after
18 “use”.

19 (4) CONFORMING AMENDMENTS.—

20 (A) Subsections (a), (b)(2), and (c) of sec-
21 tion 30 of such Code are each amended by in-
22 serting “battery” after “qualified” each place it
23 appears.

1 (B) The heading of subsection (c) of sec-
2 tion 30 of such Code is amended by inserting
3 “BATTERY” after “QUALIFIED”.

4 (C) The heading of section 30 of such
5 Code is amended by inserting “**BATTERY**”
6 after “**QUALIFIED**”.

7 (D) The item relating to section 30 of such
8 Code in the table of sections for subpart B of
9 part IV of subchapter A of chapter 1 is amend-
10 ed by inserting “battery” after “qualified”.

11 (E) Section 179A(c)(3) of such Code is
12 amended by inserting “battery” before “elec-
13 tric”.

14 (F) The heading of paragraph (3) of sec-
15 tion 179A(c) of such Code is amended by in-
16 serting “BATTERY” before “ELECTRIC”.

17 (c) **ADDITIONAL SPECIAL RULES.**—Section 30(d) of
18 the Internal Revenue Code of 1986 (relating to special
19 rules) is amended by adding at the end the following:

20 “(5) **NO DOUBLE BENEFIT.**—The amount of
21 any deduction or credit allowable under this chapter
22 for any cost taken into account in computing the
23 amount of the credit determined under subsection
24 (a) shall be reduced by the amount of such credit at-
25 tributable to such cost.

1 “(6) PROPERTY USED BY TAX-EXEMPT ENTI-
2 TIES.—In the case of a credit amount which is al-
3 lowable with respect to a vehicle which is acquired
4 by an entity exempt from tax under this chapter, the
5 person which sells or leases such vehicle to the entity
6 shall be treated as the taxpayer with respect to the
7 vehicle for purposes of this section and the credit
8 shall be allowed to such person, but only if the per-
9 son clearly discloses to the entity in any sale or lease
10 contract the specific amount of any credit otherwise
11 allowable to the entity under this section and re-
12 duces the sale or lease price of such vehicle by an
13 equivalent amount of such credit.”.

14 (d) EXTENSION.—Section 30(e) of the Internal Rev-
15 enue Code of 1986 (relating to termination) is amended
16 by striking “2004” and inserting “2007”.

17 (e) EFFECTIVE DATE.—The amendments made by
18 this section shall apply to property placed in service after
19 December 31, 2001, in taxable years ending after such
20 date.

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