

Regular Session, 2013

SENATE BILL NO. 256

BY SENATOR CLAITOR

TAX/TAXATION. Provides for certain tax credits regarding vehicle usage of alternative fuels. (gov sig)

1 AN ACT

2 To amend and reenact R.S. 47:6035(B)(3) and to repeal R.S. 47:6035(B)(2)(c), relative to
3 tax credits for vehicles using alternative fuels; to clarify the definition of qualified
4 clean-burning motor vehicle fuel property; to exclude the cost of certain property
5 related to the delivery or storage of alternative fuels; to provide for an effective date;
6 and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 47:6035(B)(3) is hereby amended and reenacted to read as follows:

9 §6035. Tax credit for conversion of vehicles to alternative fuel usage

10 * * *

11 B. As used in this Section, the following words and phrases shall have the
12 meaning ascribed to them in this Subsection unless the context clearly indicates
13 otherwise:

14 * * *

15 (3) "Qualified clean-burning motor vehicle fuel property" shall mean
16 equipment necessary for a motor vehicle to operate on an alternative fuel and shall
17 not include equipment necessary for operation of a motor vehicle on gasoline or

1 diesel, **nor shall it be construed to include a flexible fuel vehicle which is**
2 **designed to run on gasoline or a blend of up to eighty-five percent ethanol.**

3 * * *

4 Section 2. R.S. 47:6035(B)(2)(c) is hereby repealed.

5 Section 3. The provisions of this Act amending R.S. 47:6035(B)(3) with respect to
6 excluding flexible fuel vehicles designed to run on gasoline or a blend of eighty-five percent
7 ethanol from the definition of "qualified clean-burning motor vehicle fuel property" are
8 intended by the legislature to be retroactive and a clarification of the original intention of the
9 legislature. The other provisions of this Act shall be applicable to transactions occurring on
10 and after July 1, 2013.

11 Section 4. This Act shall become effective upon signature by the governor or, if not
12 signed by the governor, upon expiration of the time for bills to become law without signature
13 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
14 vetoed by the governor and subsequently approved by the legislature, this Act shall become
15 effective on the day following such approval.

The original instrument and the following digest, which constitutes no part
of the legislative instrument, were prepared by Thomas L. Tyler.

DIGEST

Present law provides a tax credit for investments in qualified clean-burning motor vehicle fuel property.

Present law defines the "cost of qualified clean-burning motor vehicle fuel property" to include the cost of property directly related to the delivery of an alternative fuel into the fuel tank of motor vehicles propelled by alternative fuel, including compression equipment, storage tanks, and dispensing units for alternative fuel at the point where the fuel is delivered, provided the property is installed and located in this state and no credit has been previously claimed on the cost of such property. Excludes costs associated with exploration and development activities necessary for severing natural resources from the soil or ground from this definition.

Proposed law repeals these provisions and provides that the repeal is applicable to transactions occurring on and after July 1, 2013.

Present law defines "qualified clean-burning motor vehicle fuel property" to be equipment necessary for a vehicle to operate on an alternative fuel and does not include equipment necessary for operation of a vehicle on gasoline or diesel.

Proposed law clarifies that the definition is not to be construed to include a flexible fuel vehicle which is designed to run on gasoline or a blend of up to eighty-five percent ethanol.

Proposed law provides that the clarification is intended by the legislature to be retroactive and a clarification of the original intention of the legislature.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Amends R.S. 47:6035(B)(3); repeals R.S. 47:6035(B)(2)(c))