HLS 13RS-1460 ENGROSSED

Regular Session, 2013

HOUSE BILL NO. 681

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BY REPRESENTATIVE ORTEGO

TAX CREDITS: Changes the definition of alternative fuel for purposes of the tax credit for conversion of a vehicle to alternative fuel usage

AN ACT

2 To amend and reenact R.S. 47:6035(B)(1), relative to income tax credits; to provide with 3 respect to the tax credit for conversion of vehicles to alternative fuel usage; to 4 provide for the definition of "alternative fuel"; to provide for applicability; and to 5 provide for related matters. 6 Be it enacted by the Legislature of Louisiana: 7 Section 1. R.S. 47:6035(B)(1) is hereby amended and reenacted to read as follows: 8 §6035. Tax credit for conversion of vehicles to alternative fuel usage 9 10 B. As used in this Section, the following words and phrases shall have the 11 meaning ascribed to them in this Subsection unless the context clearly indicates 12 otherwise: 13 (1) "Alternative fuel" means a fuel which results in emissions of oxides of 14 nitrogen, volatile organic compounds, carbon monoxide, or particulates, or any 15 combination of these which are comparably lower than emissions from gasoline or 16 diesel and which meets or exceeds federal clean air standards, including but not limited to compressed natural gas, liquefied natural gas, liquefied petroleum gas, 17 18 biofuel, biodiesel, methanol, ethanol, and electricity. natural gas, liquified petroleum 19 gas, and any nonethanol based advanced biofuel. "Alternative fuel" shall also mean electricity if the vehicle meets all of the following criteria: 20

CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

1	(a) Has at least four wheels.
2	(b) Is manufactured primarily for use on public streets, roads, and highways
3	and is able to attain a maximum speed of at least 55 miles per hour.
4	(c) Is propelled to a significant extent by an electric motor which draws
5	electricity from a battery which has a capacity of not less than four kilowatt hours
6	and is capable of being recharged from an external source of electricity.
7	* * *
8	Section 2. The provisions of this Act shall be applicable for taxable years beginning
9	on or after January 1, 2014.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

Ortego HB No. 681

Abstract: Narrows the definition of "alternative fuel" to natural gas, liquified petroleum gas, other nonethanol based biofuels, and electricity.

<u>Present law</u> authorizes an income tax credit for the cost of certain equipment necessary to convert a motor vehicle to operate on an "alternative fuel".

<u>Present law</u> defines "alternative fuel" as a fuel which results in emissions of oxides of nitrogen, volatile organic compounds, carbon monoxide, or particulates, or any combination of these which are comparably lower than emissions from gasoline or diesel and which meets or exceeds federal clean air standards, including but not limited to compressed natural gas, liquefied natural gas, liquefied petroleum gas, biofuel, biodiesel, methanol, ethanol, and electricity.

<u>Proposed law</u> changes the definition of "alternative fuel" to natural gas, liquified petroleum gas, any nonethanol based advanced biofuel, or electricity.

<u>Proposed law</u> provides that electricity shall only be considered an alternative fuel if the following criteria are met: the vehicle has four wheels, is manufactured for use on public roads, can maintain a speed of 55 mph, and is propelled to a significant extent by a battery.

Effective for taxable periods beginning on and after Jan. 1, 2014.

(Amends R.S. 47:6035(B)(1))

Summary of Amendments Adopted by House

Committee Amendments Proposed by <u>House Committee on Ways and Means</u> to the <u>original</u> bill.

- 1. Added electricity as an "alternative fuel".
- 2. Added effective date of Jan. 1, 2014.