

Georgia Department of Natural Resources

Environmental Protection Division

Mobile and Area Source Program - Low Emissions Vehicle Certification

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LEV/ZEV/MDV/HDV, Vehicle Conversion and Electric Vehicle Charger Tax Credit Fact Sheet

PLEASE NOTE:

The current "GA Low Emission Vehicle (LEV) and Zero Emission Vehicle (ZEV) Certification Program (O.C.G.A. 48-7-40.16)" has been discontinued effective July 1, 2015. Vehicles purchased or leased after June 30, 2015 do not qualify for the tax credit. If you purchased or leased your LEV or ZEV vehicle on or before June 30, 2015, you have up to five years from the date of purchase or lease to claim the credit. Please see instructions below to apply for your tax credit. The Vehicle Conversion to Alternative Fuel and the Electric Vehicle Charger tax credits are still available. See qualifications below:

The State of Georgia is offering the following tax credits:

1. Alternative Fuel Low-Emission Vehicle (LEV): the allowable credit is the lesser of 10% of the vehicle cost or \$2,500 for the purchase or lease of a new low-emission vehicle that is fueled solely by an alternative fuel.
2. Converted Vehicle: Lesser of 10% of the conversion cost or \$2,500 tax credit for a vehicle to be converted to run solely on an alternative fuel and meets the standards for a low-emission vehicle.
3. Zero Emission Vehicle (ZEV): the lesser of 20% of the vehicle cost or \$5,000 tax credit is allowed for the purchase or lease of a new zero emission vehicle provided the vehicle does not receive its electricity from an on-board combustion device.
4. Electric Vehicle Charger: the lesser of 10% of the vehicle charger and installation cost or \$2,500 tax credit is allowed for the purchase and installation of qualified electric vehicle charger. This tax credit applies only to **non-retail** business enterprises. **Electric vehicle chargers installed at homes do not qualify.**
5. Alternative Fuel Medium-Duty Vehicle (MDV): A taxpayer is allowed credit expended on or after July 1, 2015, and before June 30, 2017 for the purchase of medium-duty vehicle not to exceed \$12,000.00 per vehicle.
6. Alternative Fuel Heavy-Duty Vehicle (HDV): A taxpayer is allowed credit expended on or after July 1, 2015, and before June 30, 2017 for the purchase of heavy-duty vehicle not to exceed \$20,000.00 per vehicle.

Any of these tax credits that are claimed but that are not used in any taxable year may be carried forward for five years from the close of the taxable year in which the vehicles were purchased or converted, except MDV/HDV unused credits. In no event shall the amount of any of these tax credits exceed the taxpayer's income tax liability.

The Georgia Environmental Protection Division (EPD) is responsible for issuing certificates for qualified vehicles, conversions, and chargers. The certificate is used as verification that the

taxpayer purchased/leased a qualified LEV or ZEV, properly converted a vehicle, or purchased and installed a qualified electric vehicle charger. The certificates are to be sent in with the taxpayer's income tax return in order to qualify for the tax credits. The Department of Revenue is responsible for approving and issuing the tax credit.

LEV, ZEV, and Conversion General Facts

1. Tax credit available beginning January 1, 2001.
2. No sunset provision (However, the state legislature can amend the tax code.).
3. Vehicles must be powered solely fueled by an alternative fuel. (Note: hybrid electric, flex fuel, and bi-fuel vehicles do **not** qualify)
4. Vehicles that qualify for the LEV tax credit typically include vehicles solely powered by natural gas or propane.
5. Vehicles that qualify for the ZEV tax credit typically include full size electric vehicles.
6. Vehicles must be registered in Georgia.
7. Systems that convert a gasoline or diesel vehicle to an alternative fuel must be certified by the manufacturer to allow the vehicle to meet at a minimum low emission vehicle standards and the gasoline/diesel fuel system must be disabled or completely removed from the vehicle. **Note:** EPA Certificate of Conformity must be provided.

Electric Vehicle Charger General Facts

1. Tax credits are allowed only for **non-retail** business enterprises. **Chargers installed at individual homes do not qualify.**
2. The charger must be rated greater than 130 volts and must be designed to charge on-road vehicles.
3. The charger must be located for and allowed public access.

MDV, HDV General Facts

1. Gross vehicle weight ratio (GVWR) 8,500 to 26,000 lbs for MDV and greater than 26,000 lbs for HDV.
2. New commercial vehicle manufactured by Original Equipment Manufacturer (OEM) and 3rd party equipment manufacturer.
3. Vehicles must be purchased. Leased vehicles do not qualify.
4. MDV must be Solely fueled by an alternative fuel (may include hybrid electric drives).
5. HDV must be designed by manufacturer to operate on 90% or more of alternative fuel.
6. Seventy Five (75%) of mileage must be accumulated in Georgia each year for a five year period.
7. Must be registered in Georgia for no less than 5 years.
8. Total amount of tax credit for a taxpayer or affiliated entity shall not exceed the lesser of, taxpayers income tax liability or \$250,000.00
9. No unused portion of credit is allowed against succeeding or prior years' tax liability.

To Receive Your Specific Tax Credit

1. Obtain the LEV/ZEV/MDV/HDV, Conversion, or Electric Vehicle Charger Certification Form(s) from your dealer, EPD, or the EPD website at:
<http://epd.georgia.gov/air/alternative-fuels-and-tax-credits>

2. Complete the Certification Form(s) and send to EPD along with copies (not originals) of the following documents: (a) Bill of sale or Lease Agreement in the name of the taxpayer claiming the credit and (b) Vehicle Registration Receipt (only for vehicles). Vehicles that have been converted need to include a copy of the Certificate of Conformity from the manufacturer stating that the conversion will allow the vehicle to meet at a minimum LEV standards. The form(s) and documents should be sent to the attention to:

Attention: Mobile & Area Sources Program
Georgia Environmental Protection Division
4244 International Pkwy., Suite 134
Atlanta, Georgia 30354

3. EPD will review the completed form(s) and documents. If all of the requirements have been met, EPD will sign the form(s) and send back the **Certificate only** to the taxpayer.
4. The taxpayer should attach the original approved Certification Form(s) to their Georgia Income Tax Return (Form 500) or Georgia Amended Tax Return (Form 500 X) if mailing hard copies. If filing electronically the taxpayer should hold on to the original certificate until requested by DOR. Schedule 2 of the 500 form should reflect the amount of the anticipated credit (not to exceed your current year's tax liability). **Omission of the original Certificate Form(s) may result in the credit claimed being disallowed.**
5. For MDV/ HDV, the taxpayer must apply for preapproval from the Department of Revenue (DOR) by electronically submitting Form IT-AVP-AP and their DNR Certification through DOR's Georgia Tax Center (GTC). DOR will notify the taxpayer within 60 days of the receipt of their application whether they are approved or denied credit based on the \$2.5 million fiscal year cap and the \$250,000 taxpayer and affiliated entity cap. If approved, the taxpayer must attach their approved forms to their applicable Georgia Income Tax Return to claim the credit.

For more information about qualified alternative fueled LEV's or about the LEV certificate form, please contact EPD at (404) 363-7028.

For more information about how to obtain your tax credit once you have received your approved Certification Form, please contact the Georgia Department of Revenue at:
TaxCredits.Inquiries@dor.ga.gov