

1 SB59
2 135087-1
3 By Senators Ward and Whatley
4 RFD: Finance and Taxation Education
5 First Read: 05-FEB-13
6 PFD: 01/24/2013

2
3
4
5
6
7
8 SYNOPSIS: This bill would allow a credit from state
9 income tax for the full amount of sales tax paid on
10 the purchase of any qualified hybrid motor vehicle.
11

12 A BILL
13 TO BE ENTITLED
14 AN ACT
15

16 Relating to state income credits; to provide an
17 annual credit not exceeding \$2,000 for the full amount of
18 sales tax paid on the purchase of qualified hybrid motor
19 vehicles.

20 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

21 Section 1. (a) As used in this act, the following
22 terms shall have the following meanings:

23 (1) STATE SALES TAX. The tax levied in Article 3 of
24 Chapter 23 of Title 40 of the Code of Alabama 1975.

25 (2) QUALIFIED HYBRID MOTOR VEHICLE. A 4-wheeled
26 gas-electric motor vehicle that is acquired by the taxpayer on
27 or after October 1, 2012, and previously qualified under

1 Internal Revenue Service regulations as a qualified hybrid
2 motor vehicle.

3 (b) (1) An annual credit for state income taxes shall
4 be allowed for the total amount of sales tax paid on the
5 purchase of a qualified hybrid motor vehicle.

6 (2) Subject to the limitations under subsections (c)
7 to (e), inclusive, the credit allowed under this section shall
8 equal 100 percent of the sales tax imposed for a vehicle.

9 (c) The credit allowed under this section may not
10 exceed two thousand dollars (\$2,000).

11 (d) The credit allowed under this section shall be
12 limited to the acquisition of one vehicle per individual and
13 10 vehicles per business entity.

14 (e) A credit may not be claimed under this section
15 for a vehicle unless all of the following apply:

16 (1) The vehicle is registered in this state.

17 (2) The owner has already conformed to any
18 applicable state or federal laws or regulations governing
19 hybrid motor vehicle purchases applicable during the calendar
20 year in which the vehicle is titled.

21 (f) The Commissioner of the Department of Revenue
22 may adopt rules to provide for the administration of any tax
23 credit provided by this act.

24 Section 2. This act shall become effective on the
25 first day of the third month following its passage and
26 approval by the Governor, or its otherwise becoming law.