

D-02-24-03

To: All Dealers
From: Vehicle Services Division
Date: February 12, 2024
RE: Excise Tax Credit for Plug-in Electric or Fuel Cell Vehicles – No More Fiscal Year 2024 Funding

PURPOSE OF MEMORANDUM

To advise Maryland dealers that there are **no** available funds for this fiscal year's electric vehicle (EV) excise tax credit

SUMMARY

The Motor Vehicle Administration (MVA) reports that the Fiscal Year 2024¹ funds for the EV excise tax credit are depleted.

In response, we will:

1. Continue to accept applications and place applicants on a waiting list
2. Monitor legislative action during the 2024 Legislative Session and determine whether those applicants on the Fiscal Year 2024 waiting list will receive the credit once Fiscal Year 2025 funds become available (July 1, 2024)
3. Issue a bulletin after the legislative session with information about applicants on the waiting list

Although we will continue to accept applications for this credit, you **must** notify customers – before they buy or lease an eligible plug-in electric vehicle or fuel cell vehicle - that:

1. They may not receive the Maryland EV excise tax credit for their vehicle
2. If additional funds become available, the vehicle owner(s) may not receive the credit until after July 1, 2024

SUBMITTING AN APPLICATION FOR FISCAL YEAR 2024 EV TAX CREDIT WAITING LIST

To ensure your eligible customers receive a tax credit if funding is available, please submit the required documents for eligible individuals. These documents are:

1. Completed [VR-334](#): Excise Tax Credit Request for Plug-In Electric Vehicle
2. A copy or image of the window sticker (Monroney sticker)
3. A copy of the bill of sale and
4. A copy of the Manufacturer's Certificate of Origin

The fastest way to join the Fiscal Year 2024 waiting list is for dealers – **not** the eligible customer – to submit the required documents. The MVA requests dealers to submit the documents via ERT but will accept them via email to mvaelectricrefunds@mdot.maryland.gov. The documents can also be submitted via USPS mail, but this will delay placing an applicant on the Fiscal Year 2024 waiting list.

BACKGROUND

The Clean Cars Act of 2022 (codified as §13-815 of the Transportation Article) established an electric vehicle tax credit for Fiscal Years 2024 through 2027. For each fiscal year, the Maryland Energy Administration transfers up to \$8,250,000 to the Transportation Trust Fund for this tax credit.

The MVA administers the tax credit, which provides a one-time tax credit for qualifying zero emission plug-in electric or fuel cell electric vehicles². The amount of the tax credit depends on the type of vehicle.

- \$1,000 for a 2-wheeled, zero emission plug-in electric drive or fuel cell electric motorcycle
- \$2,000 for a 3-wheeled, zero emission plug-in electric drive or fuel cell electric motorcycle
- \$3,000 for a zero-emission plug-in electric drive or fuel cell electric vehicle

The credit is limited to one vehicle per individual and 10 vehicles per business entity. For any questions, please contact Vehicle Services: Refund Unit at 410-787-2947.