

HOUSE No. 2845

The Commonwealth of Massachusetts

In the Year Two Thousand Nine

An Act Relative to Energy Efficient Vehicles..

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Chapter 21A of the General Laws, as appearing in the 2004 Official
2 Edition, is hereby amended by adding the following section:-

3 Section 3F. (a) Within 30 days of the annual release of U.S. Environmental Protection
4 Agency's and Department of Energy's Fuel Economy Guide hereinafter referred to as "the
5 Guide," the commissioner of the department of environmental protection, in consultation with
6 the commissioner of revenue, shall establish annually three schedules of energy efficient light-
7 duty passenger vehicles for the purposes of sales tax rebates and excise tax exemptions pursuant
8 to section 25 of chapter 64H and section 1A of chapter 60A. The three schedules shall be
9 grouped based on seating capacity and include 2-4 seat passenger vehicles (excluding
10 motorcycles), 5-6 seat passenger vehicles, and vehicles that seat 7 or more passengers. Each
11 schedule shall include each vehicle's combined city and highway mileage per gallon of regular
12 gasoline (or energy equivalent for clean diesel and alternative fuels) as determined by the United
13 States Environmental Protection Agency and a figure representing the percentage of the vehicle
14 that is American-made pursuant to Title 49 CFR Part 583, as amended.

(b) The Commissioner shall have the discretion to create a formula that calculates what vehicles receive rebates or excise exemptions, and the amounts of said rebates or exemptions. In calculating the formula for eligible vehicles up to 20 per cent of the calculation may be based on the percentage of the car's American-made content.

(c) The schedules shall be made available for public comment no later than 30 days after the release of the Guide.

(d) No sales tax rebate or excise tax exemption shall be applied to any vehicle previously titled for sale and each vehicle must be legal for sale in Massachusetts pursuant to section 142K of chapter 111 and its implementing regulations.

(e) The commissioner may promulgate guidance or regulations if necessary to carry out the provisions of this section.

SECTION 2. Section 1 of Chapter 60A of the General Laws, as appearing in the 2004 Official Edition, is hereby amended by adding after the ninth paragraph the following new paragraph:-

The excise imposed by this section shall be reduced pursuant to the schedule of energy efficient vehicles pursuant to section 3F of chapter 21A. Within 30 days from close of public comment on the schedule of energy efficient vehicles prepared by the department of environmental protection pursuant to section 3F of chapter 21A, the department of revenue shall distribute the final schedule to boards of assessors and tax collectors within each municipality.

The collector of taxes of a municipality shall forward to the commissioner an accounting of the reductions in excise made pursuant to this paragraph, with a list of vehicles accounting for such reduction.

SECTION 3. Said Chapter 60A, as so appearing, is hereby amended by adding the following new section:-

Section 1A. Subject to appropriation, the commissioner shall, upon receipt of the list referenced in paragraph 10 of section 1 of this chapter, reimburse cities and towns for excise tax reduced on vehicles eligible under section 3F of chapter 21A.

SECTION 4. Section 25 of chapter 64H of the General Laws, as appearing in the 2004 Official Edition, is hereby amended by adding at the end thereof the following:-

The commissioner of revenue shall rebate to consumers, upon proof of sale within the tax year of an eligible vehicle, as defined pursuant to section 3F of chapter 21 that portion of the sales tax eligible for rebate. Notwithstanding any general or special law to the contrary, the amounts rebated pursuant to this section shall not count as an abatement with respect to calculation of the share of state sales tax apportioned to the Massachusetts Bay Transportation Authority or School Modernization and Reconstruction Trust Fund.