

1
2
3
4
5
6
7
8
9
10

11
12
13
14
15
16
17
18
19

H.835

Introduced by Representatives Beck of St. Johnsbury, Anthony of Barre City,
Bancroft of Westford, Canfield of Fair Haven, Goslant of
Northfield, Higley of Lowell, Mattos of Milton, Morgan of
Milton, Page of Newport City, and Trieber of Rockingham

Referred to Committee on

Date:

Subject: Motor vehicles; vehicle miles traveled tax; plug-in electric vehicles

Statement of purpose of bill as introduced: This bill proposes to create a
vehicle miles traveled tax applicable to plug-in electric vehicles.

An act relating to a vehicle miles traveled tax for plug-in electric vehicles

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. 19 V.S.A. § 11 is amended to read:

§ 11. TRANSPORTATION FUND

The Transportation Fund shall comprise the following:

* * *

(2) the revenue derived from the taxes on motor fuel and vehicle miles
traveled as provided for by Title 23;

* * *

1 Sec. 2. 23 V.S.A. chapter 26 is added to read:

2 CHAPTER 26. VEHICLE MILES TRAVELED TAX

3 § 2901. DEFINITIONS

4 As used in this chapter:

5 (1) “Battery electric vehicle” means a motor vehicle that can only be
6 powered by an electric motor drawing current from a rechargeable energy
7 storage system, such as from storage batteries or other portable electrical
8 energy storage devices provided that the vehicle can draw recharge energy
9 from a source off the vehicle such as electric vehicle supply equipment.

10 (2) “Commissioner” has the same meaning as in subdivision 4(4) of this
11 title.

12 (3) “Official odometer reading” means an odometer reading conducted
13 with the annual inspection required pursuant to section 1222 of this title.

14 (4) “Owner” means the first listed person on a registration required
15 pursuant to section 301 of this title.

16 (5) “Plug-in electric vehicle” has the same meaning as in subdivision
17 4(85) of this title.

18 (6) “Plug-in hybrid electric vehicle” means a motor vehicle that can be
19 powered by an electric motor drawing current from a rechargeable energy
20 storage system, such as from storage batteries or other portable electrical
21 energy storage devices, provided that the vehicle can draw recharge energy

1 from a source off the vehicle such as electric vehicle supply equipment, but
2 also has an onboard combustion engine.

3 (7) “Taxable miles traveled” means the most recent official odometer
4 reading for the subject motor vehicle less the first official odometer reading for
5 the subject vehicle since the later of January 1, 2022 or the last time the vehicle
6 miles traveled tax was assessed on the vehicle. The taxable miles traveled may
7 be reduced by the Commissioner if the owner presents evidence that the
8 subject vehicle was driven outside the State.

9 § 2902. VEHICLE MILES TRAVELED TAX

10 (a) A tax is imposed in this State on the taxable miles traveled by a plug-in
11 electric vehicle as defined in section 2901 of this chapter. Every owner of a
12 plug-in electric vehicle shall remit the tax due under this section at the time of
13 filing their State income tax return pursuant to 32 V.S.A. chapter 151 or, if
14 State income tax is not assessed, through a separate filing.

15 (b) The Commissioner, in consultation with the Commissioner of Taxes,
16 shall establish a per-mile rate for battery electric vehicles and a different per-
17 mile rate for plug-in hybrid electric vehicles.

18 (c) The total tax assessment shall be the per-mile rate established pursuant
19 to subsection (b) of this section multiplied by the taxable miles traveled.

1 § 2903. COLLECTION AND ADMINISTRATION

2 (a) Rulemaking. The Commissioner shall administer and enforce this
3 chapter and may adopt rules, in consultation with the Commissioner of Taxes,
4 pursuant to 3 V.S.A. chapter 25 to carry out such administration and
5 enforcement.

6 (b) Collection. The Commissioner of Taxes shall collect the vehicle miles
7 traveled tax imposed under this chapter.

8 (c) Reporting. The Commissioner of Taxes shall provide that every owner
9 of a plug-in electric vehicle report the amount of their vehicle miles traveled
10 tax liability on his or her State income tax return or, if State income tax is not
11 assessed, through a separate form.

12 (d) Administrative provisions. All administrative provisions of 32 V.S.A.
13 chapter 151, including those relating to penalties, interest, collection, and
14 enforcement, shall apply to this chapter.

15 § 2904. TRANSPORTATION FUND REVENUE

16 All taxes collected by the Commissioner of Taxes under this chapter shall
17 be paid to the State Treasurer and credited to the Transportation Fund on a
18 quarterly basis.

1 Sec. 3. RULEMAKING

2 (a) As soon as practicable after the effective date of this section and not
3 later than January 1, 2021, the Commissioner of Motor Vehicles, in
4 consultation with the Commissioner of Taxes, shall file with the Secretary of
5 State proposed rules to implement Secs. 1 and 2 of this act.

6 (b) The rules described in subsection (a) of this section shall:

7 (1) establish a process, utilizing the annual vehicle inspection conducted
8 pursuant to 23 V.S.A. § 1222, for determining the taxable miles traveled and a
9 way for this mileage to be reported to the taxpayer and the Commissioner of
10 Taxes;

11 (2) establish a process for the Commissioner of Motor Vehicles to
12 determine, in consultation with the Commissioner of Taxes, annual vehicle
13 miles traveled tax rates for battery electric vehicles and plug-in hybrid electric
14 vehicles that shall supplant Transportation Fund revenue that would have been
15 collected if the vehicles in question were not plug-in electric vehicles;

16 (3) create one or more forms to be used to account for and collect the
17 vehicle miles traveled tax if the owner of a plug-in electric vehicle is not
18 subject to State income tax under 32 V.S.A. chapter 151; and

19 (4) be adopted so as to take effect no later than January 1, 2022, with no
20 vehicle miles traveled tax revenue collected until the State income tax returns
21 for calendar year 2022 are due.

1 Sec. 4. EFFECTIVE DATES

2 (a) Secs. 1 (Transportation Fund) and 2 (vehicle miles traveled tax) shall
3 take effect on January 1, 2022.

4 (b) All other sections shall take effect on passage.