

D-02-24-02

To: All Dealers  
From: Vehicle Services Division  
Date: February 7, 2024  
RE: Excise Tax Credit for Plug-in Electric or Fuel Cell Vehicles - Funding Alert

## PURPOSE OF MEMORANDUM

To advise Maryland dealers about the expected timeline to deplete this fiscal year's funds for the electric vehicle (EV) excise tax credit.

## SUMMARY

The Motor Vehicle Administration (MVA) expects that the Fiscal Year 2024<sup>1</sup> funds for the EV excise tax credit will be depleted shortly. MVA is monitoring the balance daily and will send another bulletin once we perform another reconciliation of credits issued and pending applications.

## SUBMITTING AN APPLICATION FOR EV TAX CREDIT

To ensure your eligible customer receives their tax credit in due course, please submit the required documents for eligible individuals. The required 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 for the MVA to process these applications is for dealers – **not** the eligible customer - to submit the required documents. MVA prefers dealers submit the documents via ERT but will accept them via email to [mvaelectricrefunds@mdot.maryland.gov](mailto:mvaelectricrefunds@mdot.maryland.gov). The documents can also be submitted via USPS mail, but this will delay the issuance of the credit.

## 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 vehicles<sup>2</sup>. 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.