



To: All Dealers

From: Vehicle Services Division

Date: July 1, 2024

RE: Excise Tax Credit for Plug-in Electric or Fuel Cell Vehicles for Fiscal Year 2025 Funding

PURPOSE OF MEMORANDUM

To advise Maryland dealers that funding for the electric vehicle (EV) excise tax credit is available and introduce a new process for submitting applications.

SUMMARY

As of July 1, 2024, the Maryland Motor Vehicle Administration (MVA) reports that funding for the Fiscal Year 2025 EV excise tax credit is available. There is \$8,250,000 in credits available for the State's FY 25 budget.

New for Fiscal Year 2025, dealers can submit applications and required supporting documents through their dealer portal. The MVA will also submit payment for applications received and processed in FY 24 but not issued because the FY 24 funds were depleted at the time.

The required documents to request a credit are:

- 1. Completed <u>VR-334</u>: 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 most efficient way to submit an EV credit is via the dealer portal. This will ensure that customers are properly queued and processed and receive their credit <u>in a timely manner and enable MVA to track</u> available funding more closely and provide feedback to dealers.

Customers can submit applications and the required documents to mvaelectricrefunds@mdot.maryland.gov or via USPS mail, but this may delay the receipt and processing of the customer's application. If a dealer submits an application via the portal, the customer does **not** need to submit another application.

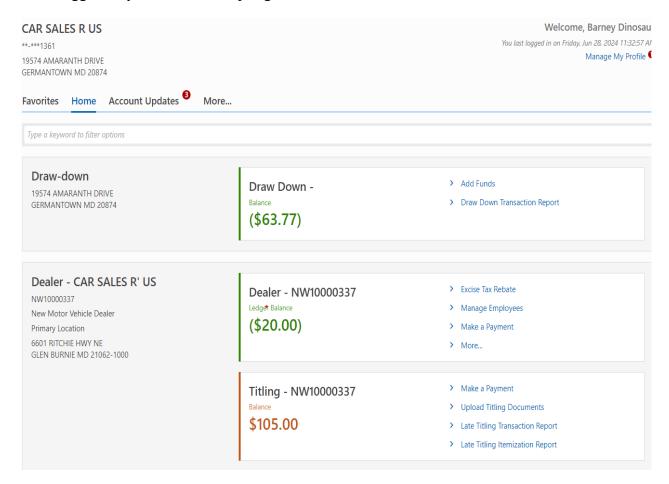
INSTRUCTIONS FOR SUBMITTING VIA PORTAL

Dealers can now use the dealer portal to submit on behalf of customers applications for the EV excise tax credit. The MVA strongly encourages dealers to use this process instead of submitting applications via email.

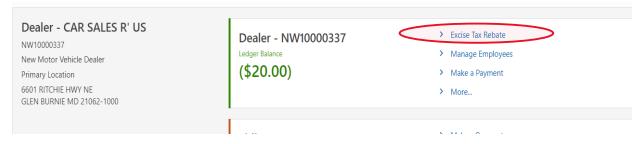
To submit an application:

Log into your Business Portal.

• Once logged in, you will see the springboard below.

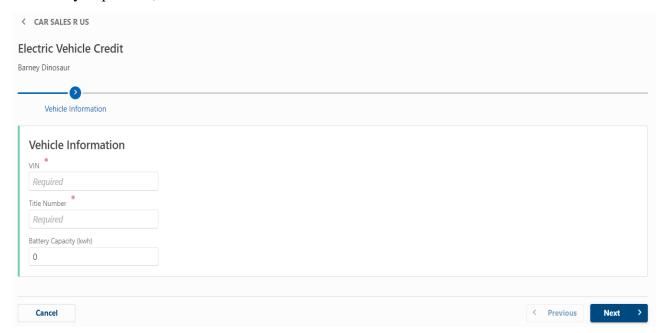


• Select the "Excise Tax Rebate" hyperlink under Dealer Account.

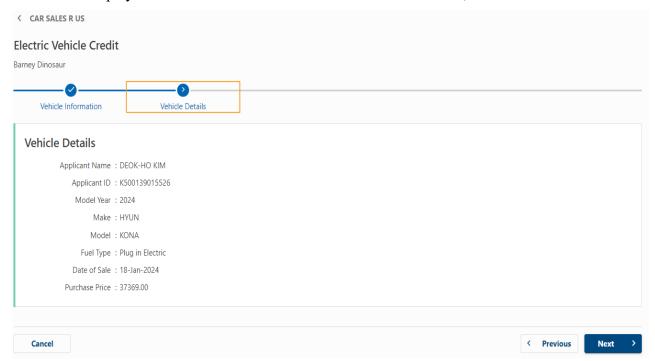


- Enter vehicle information. System will validate if the vehicle is eligible for the tax rebate.
 - o If the vehicle is not eligible, it will display an error screen as to why the vehicle is not eligible.
 - o If the vehicle is eligible, the system will allow the transaction to continue.

• Once ready to proceed, select the "Next" button.



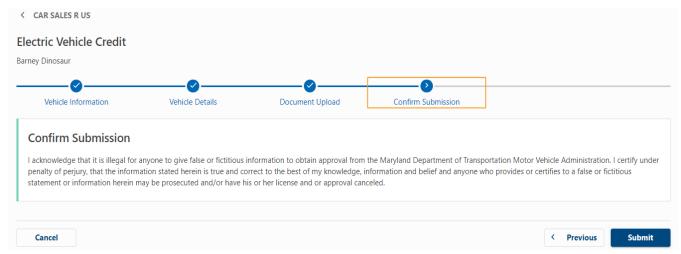
• Review the displayed vehicle information. If the information is correct, select the "Next" button.



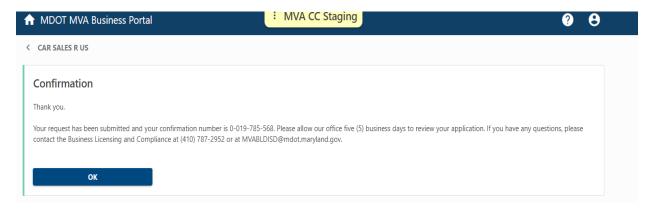
• Select the "Add Attachment" button to upload the required documents. You must upload each document separately. The system will validate if each document has been uploaded. Once all documents are uploaded, select the "Next" button.



• Confirm everything is accurate and true. Once ready to proceed, select the "Submit" button.



• A confirmation screen will provide verification that the application was submitted.



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. The credit is limited to one vehicle per individual and 10 vehicles per business entity. 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

Please note that MVA will provide updates as FY 25 funds are depleted. Applications received after funds for a fiscal year are depleted will be placed on a waiting list in the order of the date received. Only fully completed applications and documents will be processed in full.

For any questions, please contact Vehicle Services: Refund Unit at 410-787-2947.