

**State Hybrid & Electric Vehicle Incentives**  
(updated November 2013)

State	HOV Lane Exemption	Monetary Incentives	Emission Test Exemption	Parking Incentives
<b>Alabama</b>		Electric Vehicle Equipment Tax Credit: Maximum of \$75 available to individuals for installation of EV charging outlets. Plug-In Electric Vehicle Charging Rate Incentive: Alabama Power offers special rates for electricity purchased to charge PEVs used for <a href="#">residential</a> and <a href="#">non-residential</a> purposes.		
<b>Arizona</b>	Yes	<p>Electric Vehicle Equipment Tax Credit: Maximum of \$75 available to individuals for installation of EV charging outlets.</p> <p>Reduced Alternative Fuel Vehicle License Tax: Reduction in the annual vehicle license tax for an electric vehicle to a minimum of \$5 per year.</p> <p>Plug-In Electric Vehicle Charging Rates: <a href="#">Glendale Water and Power</a> offers an electricity bill discount of \$0.33 per day to residential and commercial customers who own qualified PEVs. Also, the <a href="#">Arizona Public Service Company</a> offers an electricity rate option to residential customers who own a qualified PEV.</p>		Alternative Fuel Vehicle Parking Incentive: An individual may park an AFV in areas designated for carpool operators.
<b>California</b>	Yes, also exempts EVs and PHEVs from tolls in High Occupancy Toll lanes.	Clean Vehicle Rebate Project (CVRP): <a href="#">Offers rebates</a> for the purchase or lease of qualified vehicles. The rebates offer up to \$2,500 for light-duty zero emission and plug-in hybrid vehicles that the California Air Resources Board (ARB) has approved or certified.		Free EV parking: <a href="#">Sacramento</a> offers free parking to individuals or small businesses certified by the city's Office of Small Business Development that own or lease EVs with an EV parking pass in designated downtown parking garages and surface lots. Vehicles must be 100 percent electric to qualify.

		<p>California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA): <a href="#">Provides financing</a> for property used to develop and commercialize advanced transportation technologies that reduce pollution and energy use and promote economic development.</p>		<p>Free EV parking: Free metered parking in <a href="#">San Jose</a>, <a href="#">Hermosa Beach</a>, and <a href="#">Santa Monica</a> for electric vehicles displaying a Clean Air decal.</p>
		<p>Drive Clean! Rebate Program: The San Joaquin Valley Air Pollution Control District administers the <a href="#">Drive Clean! Rebate Program</a>, which provides rebates of up to \$3,000 for the purchase or lease of eligible new vehicles, including qualified natural gas and plug-in electric vehicles.</p>		<p><a href="#">Alternative Fuel Vehicle Parking</a>: The California Department of General Services (DGS) and California Department of Transportation (DOT) must provide 50 or more parking spaces and park-and-ride lots owned and operated by DOT to incentive the use of alternative fuel vehicles.</p>
		<p>Insurance Discount: Several insurance providers offer a discount of up to 10 percent on certain insurance coverage for HEV and AFV owners.</p>		
		<p>Alternative Fuel &amp; Vehicle Incentives: Through the <a href="#">Alternative and Renewable Fuel Vehicle Technology Program</a>, the California Energy Commission provide financial incentives for businesses, vehicle and technology manufacturers, workforce training partners, fleet owners, consumers, and academic institutions with the goal of developing and deploying alternative and renewable fuels and advanced transportation technologies.</p>		
<p><b>Colorado</b></p>		<p>Alternative Fuel &amp; Advanced Vehicle Technology Tax Credit: An <a href="#">income tax credit</a> of up to \$6,000 is available for a motor vehicle that uses or is converted to use an alternative fuel, is a hybrid electric vehicle, or has its power source replaced with one that uses an alternative fuel.</p>		
		<p>Plug-in Electric Vehicle and Electric Vehicle Supply Equipment Grants: <a href="#">The Colorado Energy Office (CEO) and Regional Air Quality Council (RAQC)</a> provide grants to support PEV adoption in fleets. RAQC grants cover 80 percent of the incremental cost of a qualified PEV, up to \$8,260. Both CEO and RAQC grants fund 80 percent of the cost of EVSE, up to \$6,260.</p>		
		<p>Electric Vehicle Grant Fund: <a href="#">Provides grants</a> to local governments, landlords of multi-family apartment buildings, and communities to install recharging stations for electric vehicles.</p>		

<b>Connecticut</b>		Alternative Fuel Vehicle Funding: <a href="#">The Connecticut Clean Fuel Program</a> provides funding to municipalities and public agencies that purchase, operate, and maintain alternative fuel and advanced technology vehicles, including those that operate on compressed natural gas, propane, hydrogen, and electricity.		Alternative Fuel and Hybrid Electric Vehicle Parking: <a href="#">Free parking</a> on all city streets for qualified AFVs and HEVs registered in New Haven, CT.
<b>Delaware</b>		Vehicle-to-Grid Energy Credit: Retail electricity customers with at least one grid-integrated electric vehicle may qualify to receive kilowatt-hour credits for energy discharged to the grid from the EV's battery at the same rate that the customer pays to charge the battery.		
<b>District of Columbia</b>		<p>Alternative Fuel and Fuel-Efficient Vehicle Title Tax Exemption: Qualified alternative fuel vehicles are exempt from the excise tax imposed on an original certificate of title.</p> <p>Reduced Registration Fee: A new motor vehicle with a U.S. Environmental Protection Agency estimated average city fuel economy of at least 40 miles per gallon is eligible for a reduced vehicle registration fee of \$36. This reduced rate applies to the first two years of registration.</p>		
<b>Florida</b>	Yes, the vehicle must display a Florida Division of Motor Vehicles issued decal, which is renewed annually. Vehicles with decals may also use any HOV lane designated as a HOV toll lane without paying the toll.	<p>Electric Vehicle Supply Equipment Financing: Property owners may apply to their local government for funding to help <a href="#">finance EVSE installations</a> on their property or enter into a financing agreement with the local government for the same purpose.</p> <p>Electric Vehicle Insurance Regulation: Protects an electric vehicle owner from premium surcharges by insurance companies.</p>		
<b>Georgia</b>	Yes	Alternative Fuel Vehicle Tax Credit: An income tax credit is available to individuals who purchase or lease a new dedicated AFV or convert a vehicle to operate solely on an alternative fuel. The amount of the tax credit is 10% of the vehicle cost, up to \$2,500.		

		<p>Zero Emission Vehicle Tax Credit: An <a href="#">income tax credit</a> is available for 20 percent or up to \$5,000 for individuals who purchase or lease a new zero emission vehicle.</p> <p>Electric Vehicle Supply Equipment Tax Credit: An <a href="#">income tax credit</a> of 10 percent of the cost of the electric vehicle charging equipment, up to \$2,500.</p> <p>Plug-In Electric Vehicle Charging Rate Incentive: <a href="#">Georgia Power</a> offers a reduced plug-in electric vehicle time-of-use electricity rate for electric vehicles.</p>		
<b>Hawaii</b>	Yes			<p>Parking Fee Exemption: EVs with electric vehicle license plates are <a href="#">exempt from certain parking fees</a> charged by any non-federal government authority.</p> <p>Parking Requirement: Public parking systems with 100 parking spaces or more must include at least one designated <a href="#">parking space for EVs</a> and provide an EV charging system.</p>
<b>Idaho</b>			Vehicle Inspection Exemptions: HEVs and EVs are exempt from state motor vehicle inspection and maintenance programs.	
<b>Illinois</b>		Alternative Fuel Vehicle and Alternative Fuel Rebates: The <a href="#">Illinois Alternate Fuels Rebate Program</a> provides a rebate of up to \$4,000 of the cost of purchasing an alternative fuel vehicle.		

		<p>Electric Vehicle Supply Equipment Rebates: The Illinois Department of Commerce and Economic Opportunity provides <a href="#">rebates to offset the cost of Level 2 EVSE</a>. The maximum possible total rebate award is \$49,000 or 50 percent of the total project cost for up to 15 EVSE, whichever is less.</p>		
		<p>Electric Vehicle Registration Fee Reduction: The owner of an EV may register for a discounted registration fee not to exceed \$35 for a two-year registration period or \$18 for a one-year registration period.</p>		
		<p>Plug-in Electric Vehicle and Infrastructure Grants: Car sharing organizations located and operating in Illinois may be eligible for grants of up to 25 percent of qualifying project costs, including the cost of purchasing new PEV and building charging infrastructure.</p>		
<b>Indiana</b>		<p>Plug-In Electric Vehicle Charging Rate Incentive: Indianapolis Power &amp; Light Company (IPL) offers <a href="#">special plug-in EV charging rates</a> for residential and fleet customers who own a licensed electric or plug-in electric vehicle.</p>		
		<p>Electric Vehicle Supply Equipment Credit and Charging Incentive: <a href="#">NIPSCO's IN-Charge Electric Vehicle Program</a> offers a credit of up to \$1,650 to purchase and install residential EVSE, as well as free plug-in electric vehicle charging during off-peak hours.</p>		
<b>Iowa</b>		<p>Alternative Fuel Vehicle Demonstration Grants: The Iowa Department of Natural Resources conducts marketing and education outreach to encourage the use of alternative fuels and, contingent upon funding, awards demonstration grants to individuals who purchase vehicles that operate on alternative fuels, including electricity.</p>		
		<p>Reduced Registration Fee: The annual registration fee for an EV is \$25 unless the vehicle is more than five model years old, in which case the annual registration fee is reduced to \$15.</p>		
<b>Louisiana</b>		<p>Alternative Fuel Vehicle and Fueling Infrastructure Tax Credit: An income tax credit is available for 50 percent of the cost of converting or purchasing an alternative fuel vehicle or constructing an alternative fueling station. Alternatively, a tax credit of 10% of the cost of the motor</p>		

		<p>vehicle, up to \$3,000 is available for alternative fuel vehicles registered in the state.</p>		
		<p>Authorization for Alternative Fuel Vehicle Loans: The Louisiana Department of Natural Resources will administer the AFV Revolving Loan Fund to provide loan assistance to local government entities, including cities, parishes, school boards, and local municipal subdivisions for the cost of converting conventional vehicles to operate on alternative fuels, or the incremental cost of purchasing new AFVs.</p>		
<b>Maine</b>		<p>Provision for Establishment of Clean Fuel Vehicle Insurance Incentives: An insurer may credit or refund any portion of the premium charged for an insurance policy on a clean fuel vehicle in order to encourage its policyholders to use clean fuel vehicles.</p>		
<b>Maryland</b>		<p>Plug-in Electric Vehicle Tax Credit: Effective July 1, 2013 through June 30, 2014, a tax credit of up to \$1,000 is available against the excise tax imposed for the purchase of a qualified plug-in electric vehicles.</p>		
		<p>Electric Vehicle Supply Equipment Tax Credit: <a href="#">The Maryland Energy Administration (MEA)</a> offers an income tax credit equal to 20% of the cost of qualified EVSE. The credit may not exceed the lesser of \$400 or the state income tax imposed for that tax year.</p>		
<b>Michigan</b>		<p>Electric Vehicle Supply Equipment Rebate: <a href="#">Indiana Michigan Power</a> provides rebates of up to \$2,500 to residential customers who purchase or lease a new plug-in electric vehicle and install a Level 2 EVSE with a separate meter. Customers must also sign up for the Indiana Michigan Power PEV time-of-use rate. The rebate is available to the first 250 qualified customers who submit a completed application. <a href="#">Consumers Energy</a> provides qualified customers with a reimbursement of up to \$2,500 to cover the purchase, installation, and wiring for qualified Level 2 electric vehicle supply equipment. Additionally, <a href="#">DTE Energy</a> will provide up to \$2,500 for the purchase and installation of separately metered EVSE to the first 2,500 qualified customers who purchase PEVs and enroll in the DTE PEV rate.</p>	<p>Vehicle Inspection Exemption: Alternative fuel vehicles are exempt from emissions inspection requirements.</p>	

		Plug-In Electric Vehicle Charging Rate Reduction: <a href="#">Indiana Michigan Power</a> and <a href="#">Consumers Energy</a> offer a special time-of-use rate option to residential customers who own a qualified PEV. <a href="#">DTE Energy</a> offers a reduced electricity rate to qualified residential customers for charging PEVs during off-peak hours.		
<b>Minnesota</b>		Plug-In Electric Vehicle Charging Rate Reduction: <a href="#">Dakota Electric</a> offers a discounted rate for electricity used to charge electric vehicles during off-peak times.		
<b>Mississippi</b>		Revolving Loan Fund: Effective July 1, 2013, the Mississippi Development Authority must establish a <a href="#">revolving loan program</a> to provide zero-interest loans for public school districts and municipalities to purchase alternative fuel school buses and other motor vehicles, convert school buses and other motor vehicles to use alternative fuels, purchase alternative fuel equipment, and install fueling stations.		
<b>Missouri</b>			Vehicle Inspection Exemption: Alternative fuel vehicles are exempt from state emissions inspection requirements.	
<b>Montana</b>		Alternative Fuel Vehicle Conversion Tax Credit: Businesses or individuals are eligible for an income tax credit of up to 50 percent of the equipment and labor costs for converting vehicles to operate using alternative fuels.		
<b>Nebraska</b>		Alternative Fuel Vehicle and Fueling Infrastructure Loans: The Nebraska Energy Office administers the <a href="#">Dollar and Energy Saving Loan Program</a> , which provides low-cost loans for a variety of alternative fuel projects, including the replacement of conventional vehicles with AFVs, the purchase of new AFVs, the conversion of conventional vehicles to operate on alternative fuels, and the construction or purchase of a fueling station or equipment.		
<b>Nevada</b>	Yes	Plug-In Electric Vehicle Charging Rate Incentive: <a href="#">NV Energy</a> offers discounted electricity rates to residential customers who charge electric or plug-in hybrid electric vehicles during off-peak hours.	Vehicle Inspection Exemption: <a href="#">AFVs are exempt from emissions testing requirements</a> . A new HEV is exempt from emissions	Parking Fee Exemption: All local authorities with public metered parking areas within their jurisdiction must

		Hybrid Taxicab Exemption: Qualified electric vehicles operating as taxicabs may remain in operation for an additional 24 months beyond the existing limits. Existing limits restrict vehicles used as taxicabs to operate for a period of up to 67 months for new vehicles or 55 months for used vehicles with less than 30,000 miles on the odometer.	inspection testing for the first six years, after which the vehicle must comply with emissions inspection testing requirements on an annual basis.	establish a program for AFVs to park in these areas without paying a fee.
<b>New Jersey</b>	Yes	Vehicle Toll Incentive: The <a href="#">New Jersey Turnpike Authority</a> offers a 10 percent discount on off-peak toll rates on the New Jersey Turnpike and Garden State Parkway through NJ EZ-Pass for drivers of vehicles that have a fuel economy of 45 miles per gallon or higher and meet the California Super Ultra Low Emission Vehicle standard. Discount will expire Nov. 30, 2013.		
		Zero Emissions Vehicle Tax Exemption: ZEVs sold, rented, or leased in New Jersey are <a href="#">exempt from state sales and use tax</a> .		
<b>New York</b>	Yes, through the <a href="#">Clean Pass Program</a> , eligible electric vehicles and hybrid electric vehicles may use the Long Island Expressway HOV lanes.			
<b>North Carolina</b>	Yes	Electric Vehicle Financing: The <a href="#">Local Government Federal Credit Union</a> offer green vehicle loans to purchase qualified new and used fuel-efficient vehicles. The loan interest rates are 0.5 percent lower than traditional new or used vehicle loan rates.	Vehicle Inspection Exemption: Qualified PEVs are exempt from state emissions inspection requirements.	
<b>Ohio</b>		Alternative Fuel and Fueling Infrastructure Incentives: The <a href="#">Alternative Fuel Transportation Grant Program</a> provides grants and loans for up to 80 percent of the cost of purchasing and installing fueling facilities offering alternative fuels.		
<b>Oklahoma</b>		Alternative Fueling Infrastructure Tax Credit: For tax years beginning before January 1, 2015, a tax credit is available for up to 75 percent of the cost of alternative fueling infrastructure, including electric vehicle charging stations.		



		<p>Alternative Fuel Vehicle Tax Credit: For tax years beginning before January 1, 2015, a one-time income tax credit is available for 50 percent of the incremental cost of purchasing a new original equipment manufacturer AFV or converting a vehicle to operate on an alternative fuel. The state also provides a tax credit for 10 percent of the total vehicle cost, up to \$1,500, if the incremental cost of a new AFV cannot be determined or when an AFV is resold, as long as a tax credit has not been previously taken on the vehicle.</p>		
		<p>Vehicle Manufacturing Tax Credit: Vehicle manufacturers are eligible for a tax credit for EVs, including low- and medium-speed EVs, manufactured on or after July 1, 2010. EVs that can legally be operated on interstate highways and turnpikes in the state are eligible for a \$2,000 credit per vehicle.</p>		
<b>Oregon</b>		<p>Alternative Fueling Infrastructure Tax Credit for Residents: Through the <a href="#">Residential Energy Tax Credits</a> program, qualified residents may receive a tax credit for 25 percent of alternative fuel infrastructure project costs, up to \$750.</p>	<p>Pollution Control Equipment Exemption: Dedicated original equipment manufacturer natural gas and electric vehicles are not required to be equipped with a certified pollution control system.</p>	
		<p>Alternative Fueling Infrastructure Tax Credit for Businesses: Business owners and others may be eligible for a tax credit of 35 percent of eligible costs for qualified alternative fuel infrastructure projects.</p>		
		<p>Alternative Fuel Vehicle Loan Program: S.B. 583 establishes the Alternative Fuel Vehicle Revolving Fund, which permits public bodies to borrow from the fund to purchase alternative fuel vehicles.</p>		
<b>Pennsylvania</b>		<p>Alternative Fuel Vehicle and Hybrid Electric Vehicle Funding: The <a href="#">Alternative Fuels Incentive Grant (AFIG) Program</a> provides financial assistance for qualified projects and information on alternative fuels, including plug-in hybrid electric vehicles. The AFIG Program also offers Alternative Fuel Vehicle Rebates to assist with the incremental cost of the purchase of new AFVs. Rebates of \$3,000 are available for qualified EVs and PHEVs.</p>		
		<p>Plug-In Electric Vehicle Rebate: <a href="#">PECO</a> provides rebates of \$50 to residential customers who purchase a new, qualified PEV.</p>		

<b>Rhode Island</b>		Alternative Fuel Vehicle Tax Exemption: The town of Warren may allow excise tax exemptions of up to \$100 for qualified AFVs registered in Warren.		
<b>South Carolina</b>		Plug-In Hybrid Electric Vehicle Tax Credit: For taxable years before 2017, an income tax credit is available for the in-state purchase or lease of a new PHEV. The credit is equal to \$667, plus \$111 if the vehicle has at least five kWh of battery capacity, plus an additional \$111 for each additional kWh, with a maximum allowed credit of \$2,000.		
		Fuel Cell Vehicle Tax Credit: Residents who claim the federal fuel cell vehicle tax credit are eligible for a state income tax credit equal to 20 percent of the federal credit.		
<b>Tennessee</b>	Yes			
<b>Texas</b>		Alternative Fueling Infrastructure Grants: The Texas Commission on Environmental Quality administers the <a href="#">Alternative Fueling Facilities Program</a> , which provides grants for 50 percent of eligible costs, up to \$500,000, to construct, reconstruct, or acquire a facility to store, compress, or dispense alternative fuels, including electricity, in Texas air quality nonattainment areas.		Free Hybrid Parking: Free metered parking at all downtown parking meters in <a href="#">San Antonio</a> . Vehicles must display hybrid vehicle placard.
		Electric Vehicle Supply Equipment Incentive: <a href="#">Austin Energy</a> customers who own a plug-in electric vehicle are eligible for a rebate of 50 percent or up to \$1,500 of the cost to purchase and install a qualified Level 2 EVSE.		
		Clean Vehicle Replacement Vouchers: The <a href="#">AirCheckTexas Drive a Clean Machine program</a> , administered under the Texas Commission on Environmental Quality, provides vehicle replacement assistance for qualified individuals owning vehicles registered in participating counties. \$3,500 vouchers are available toward the purchase of a hybrid electric, battery electric, or natural gas vehicle that is up to three model years old.		
<b>Utah</b>	<a href="#">Yes</a> , qualified vehicles must display special clean fuel decal	Alternative Fuel Tax Exemption: Propane, compressed natural gas, liquefied natural gas, and electricity used to operate motor vehicles are <a href="#">exempt from state fuel taxes</a> .		Free Electric Vehicle Parking: <a href="#">Free metered parking in Salt</a>

	issued by the Utah Department of Transportation.	Alternative Fuel and Fuel Efficient Vehicle Tax Credit: H.B. 96, enacted in 2013, provides that <a href="#">new clean fuel vehicles</a> that meet air quality and fuel economy standards may be eligible for a credit of \$605, including certain electric and hybrid electric vehicles. An income tax credit is also available for 50 percent or up to \$2,500 of the cost to convert a vehicle to run on propane, natural gas, or electricity.		<a href="#">Lake City</a> for electric vehicles displaying a Clean Air license plate.
<b>Vermont</b>		Alternative Fuel and Advanced Vehicle Research and Development Tax Credit: Vermont businesses that qualify as a high-tech business involved exclusively in the design, development, and manufacture of alternative fuel vehicles, hybrid electric vehicles, all-electric vehicles, or energy technology involving fuel sources other than fossil fuels are eligible for up to three of the following tax credits: 1) payroll income tax credit; 2) qualified research and development income tax credit; 3) export tax credit; 4) small business investment tax credit; and 5) high-tech growth tax credit.		
<b>Virginia</b>	Yes, for HOV lanes serving the I-95/I-395 corridor, only registered vehicles displaying Clean Special Fuel license plates issued before July 1, 2006, are exempt from HOV lane requirements. For HOV lanes serving the I-66 corridor, only registered vehicles displaying Clean Special Fuel license plates issued before July 1, 2011, are exempt from HOV lane requirements.	<p>Alternative Fuels Grants and Loans: The Alternative Fuels Revolving Fund is used to distribute loans and grants to state and local government agencies to support AFV programs, pay for AFV maintenance, operation, evaluation, or testing, pay for vehicle conversions, or improve alternative fuel infrastructure.</p> <p>Plug-In Electric Vehicle Charging Rate Reduction: <a href="#">Dominion Virginia Power</a> offers discounted electricity rates to residential customers who charge electric vehicles during off-peak hours.</p> <p>Alternative Fuel Vehicle Conversion Fund: <a href="#">Assists state agencies</a> with the incremental cost of converting of an existing state-owned vehicle to use an alternative fuel, or with the cost differential between a traditional vehicle and one that uses alternative fuel.</p>	Vehicle Inspection Exemption: Alternative fuel and hybrid electric vehicles are exempt from emissions testing.	
<b>Washington</b>		Alternative Fuel Vehicle Tax Exemption: New passenger cars, light-duty trucks, and medium-duty passenger vehicles that are dedicated alternative fuel vehicles are exempt from the state motor vehicle sales and use taxes.	Vehicle Inspection Exemption: Alternative fuel and hybrid electric vehicles are exempt from	

		<p>Plug-In Electric Vehicle Demonstration Grants: The Washington Department of Commerce administers the Vehicle Electrification Demonstration Grant Program, part of the Energy Freedom Program. Eligible applicants are state agencies, public school districts, public utility districts, or political subdivisions of the state. Grants may be awarded for projects involving the purchase or conversion of existing vehicles to PEVs for use in an applicant's fleet or operations.</p>	emissions testing.	
		<p>Electric Vehicle Infrastructure and Battery Tax Exemptions: Public lands used for installing, maintaining, and operating EV infrastructure are exempt from leasehold excise taxes until January 1, 2020. Additionally, the state sales and use taxes do not apply to EV batteries; labor and services for installing, repairing, altering, or improving EV batteries and EV infrastructure; and the sale of property used for EV infrastructure.</p>		

**Terms:**

**AFV:** Alternative fuel vehicle

**EV:** Electric vehicle

**EVSE:** Electric vehicle supply equipment

**HEV:** Hybrid electric vehicle

**HOV:** High-occupancy vehicle

**PEV:** Plug-In electric vehicle

**PHEV:** Plug-in hybrid electric vehicle

**ZEV:** Zero emission vehicle

**Source:**

U.S. Department of Energy, Alternative Fuels and Advanced Data Center, *Electricity Laws and Incentives* (Washington D.C.: U.S. DOE, 2013); <http://www.afdc.energy.gov/fuels/laws/3270>.

