

HOUSE RESEARCH

Bill Summary

FILE NUMBER: H.F. 433

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Version: As introduced

Authors: Cornish and others

Subject: Income tax subtraction for converting a vehicle to use alternative fuels

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Overview

Allows an income tax subtraction of up to \$2,000 (\$5,000 for vehicles over 10,000 pounds) for costs incurred by individuals of converting a vehicle to use alternative fuels.

Section

1 **Income tax subtraction; vehicle conversion to alternative fuels.** Allows an income tax subtraction for the costs of converting a vehicle to use alternative fuels. Limits the subtraction to \$2,000 for vehicles weighing less than 10,000 pounds, and \$5,000 for vehicles weighing 10,000 pounds or more. Defines alternative fuels by reference to include:

- natural gas
- liquefied petroleum gas
- hydrogen
- coal-derived liquefied fuels
- electricity

Section

- methanol, denatured ethanol, and other alcohols, and
- other fuels as provided in regulation by the US Secretary of Energy under the National Energy Policy Act of 1992

Effective for vehicles placed in service after June 30, 2007.