

ASSEMBLY, No. 726

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

Assemblyman GORDON M. JOHNSON

District 37 (Bergen)

Assemblyman JAMES J. KENNEDY

District 22 (Middlesex, Somerset and Union)

Assemblyman DANIEL R. BENSON

District 14 (Mercer and Middlesex)

Assemblyman WAYNE P. DEANGELO

District 14 (Mercer and Middlesex)

Assemblywoman VALERIE VAINIERI HUTTLE

District 37 (Bergen)

Co-Sponsored by:

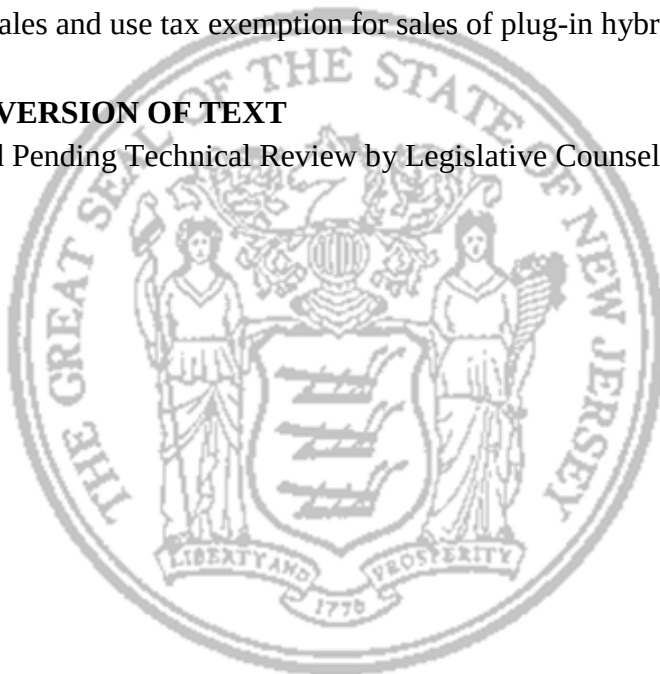
Assemblywoman Chaparro

SYNOPSIS

Provides sales and use tax exemption for sales of plug-in hybrid vehicles.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 **AN ACT** providing a sales and use tax exemption for the sale of
2 plug-in hybrid vehicles, and amending P.L.2003, c.266.

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6

7 1. Section 11 of P.L.2003, c.266 (C.54:32B-8.55) is amended
8 to read as follows:

9 11. a. (1) Receipts from sales of zero emission vehicles sold on
10 or after the first day of the fourth month following the effective date
11 of P.L.2003, c.266 (C.26:2C-8.15 et al.) are exempt from the tax
12 imposed under the "Sales and Use Tax Act," P.L.1966, c.30
13 (C.54:32B-1 et seq.).

14 (2) Receipts from sales of plug-in hybrid vehicles sold on or
15 after the first day of the fourth month following the effective date of
16 P.L. , c. (C.) (pending before the Legislature as this bill)
17 are exempt from the tax imposed under the "Sales and Use Tax
18 Act," P.L.1966, c.30 (C.54:32B-1 et seq.).

19 b. The Commissioner of Environmental Protection shall certify
20 to the State Treasurer the make and model of those motor vehicles
21 that **[are]** qualify as zero emission vehicles or plug-in hybrid
22 vehicles and are eligible for the exemption provided pursuant to
23 subsection a. of this section.

24 c. As used in this section**[,]** :

25 "Plug-in hybrid vehicle" means a motor vehicle, fueled in part by
26 an internal combustion engine, which also: (1) allows power to be
27 delivered to the drive wheels by a battery-powered electric motor or
28 other mechanical device; (2) has a battery or other mechanical
29 storage device that can be recharged by connecting the vehicle to an
30 electric power source; and (3) has the ability to travel at least five
31 miles powered substantially by electricity or other form of
32 mechanical power other than an internal combustion engine.

33 "[zero] Zero emission vehicle" means a vehicle certified as a
34 zero emission vehicle pursuant to the California Air Resources
35 Board zero emission vehicle standards for the applicable model
36 year, but shall not include any other type of vehicle that may be
37 delivered by a manufacturer for sale or lease to satisfy the zero
38 emission vehicle requirement established by the California Air
39 Resources Board in lieu of a vehicle that qualifies as a pure zero
40 emission vehicle.

41 (cf: P.L.2003, c.266, s.11)

42

43 2. This act shall take effect immediately.

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

STATEMENT

This bill provides an exemption from the State sales and use tax for sales of plug-in hybrid vehicles. Under current law, a vehicle may be exempt from the State sales and use tax if it qualifies as a “zero emission vehicle,” which, generally, means a motor vehicle that does not release evaporative emissions from its fuel system during operation. This bill extends the State sales and use tax exemption to include plug-in hybrid vehicles.

The term “plug-in hybrid vehicle” is defined as a motor vehicle, fueled in part by an internal combustion engine, which also: (1) allows power to be delivered to the drive wheels by a battery-powered electric motor or other mechanical device; (2) has a battery or other mechanical storage device that can be recharged by connecting the vehicle to an electric power source; and (3) has the ability to travel at least five miles powered substantially by electricity or other form of mechanical power other than an internal combustion engine. The Commissioner of Environmental Protection would certify the make and model of all vehicles that qualify as a “plug-in hybrid vehicle.”

By extending the sales tax exemption to cover plug-in hybrid vehicles, this bill provides an economic incentive for New Jersey residents to purchase vehicles that limit the amount of emissions and pollutants released into the atmosphere and our communities.