

**COMMONWEALTH OF KENTUCKY FISCAL NOTE STATEMENT  
LEGISLATIVE RESEARCH COMMISSION  
2020 REGULAR SESSION**

**MEASURE**

2020 BR NUMBER 1012

HOUSE BILL NUMBER 182

**TITLE** AN ACT creating an income tax credit for the purchase and installation of electric vehicle supply equipment.

**SPONSOR** Representative Ruth Ann Palumbo

**FISCAL SUMMARY**

STATE FISCAL IMPACT:  YES  NO  UNCERTAIN

OTHER FISCAL STATEMENT(S) THAT MAY APPLY:  ACTUARIAL ANALYSIS  
 LOCAL MANDATE  CORRECTIONS IMPACT  HEALTH BENEFIT MANDATE

APPROPRIATION UNIT(S) IMPACTED: \_\_\_\_\_

FUND(S) IMPACTED:  GENERAL  ROAD  FEDERAL  RESTRICTED \_\_\_\_\_

<b>FISCAL ESTIMATES</b>	<b>2019-2020</b>	<b>2020-2021</b>	<b>2021-2022</b>	<b>ANNUAL IMPACT AT FULL IMPLEMENTATION</b>
<b>REVENUES</b>	(\$100,000)	(\$200,000)	(\$500,000)	(Variable)
<b>EXPENDITURES</b>				
<b>NET EFFECT</b>	(\$100,000)	(\$200,000)	(\$500,000)	(Variable)

( ) indicates a decrease/negative

**PURPOSE OF MEASURE:** This proposal creates an individual income tax credit for the purchase and installation of certain electric vehicle supply equipment for taxable years beginning on or after January 1, 2020, but before January 1, 2024. The charging equipment must be installed at the individual’s residence.

**FISCAL EXPLANATION:** There are approximately 1,000 electric vehicles currently in use in the Commonwealth. The number of vehicles has increased (year-over-year) by approximately 250 vehicles. If all of these vehicles are owned by individuals and all individuals were to install the charging equipment within the four-year period of the tax credit, the cumulative negative impact to General Fund receipts over the four-year period is estimated to be approximately \$2 million. The estimated negative impact related to FY 2020 would indicate a reduction to estimated payments of tax for taxable years beginning on January 1, 2020. The estimated negative impacts related to FY 2021 and FY 2022 indicate both a reduction to estimated tax and the amount of tax credit that would be allowed on returns as filed.

**DATA SOURCE(S):** LRC staff; Transportation Cabinet

**PREPARER:** Jennifer Hays **NOTE NUMBER:** 53 **REVIEW:** JAB **DATE:** 1/16/2020