

Regular Session, 2013

SENATE BILL NO. 256

BY SENATOR CLAITOR

TAX/TAXATION. Prohibits the alternative fuel tax credit for certain flexible fuel vehicles.  
(gov sig)

1 AN ACT

2 To amend and reenact R.S. 47:6035(C), relative to tax credits for vehicles using alternative  
3 fuels; to specify the inapplicability of the credit for costs related to certain vehicles;  
4 and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 47:6035(C) is hereby amended and reenacted to read as follows:

7 §6035. Tax credit for conversion of vehicles to alternative fuel usage

8 \* \* \*

9 C.(1)(a) The credit provided for in Subsection A of this Section shall be  
10 allowed against individual or corporate income tax for the taxable period in which  
11 the property is purchased and installed, if applicable, and shall be equal to fifty  
12 percent of the cost of the qualified clean-burning motor vehicle fuel property.

13 **(b) Nothing in this Section shall be construed to authorize a tax credit**  
14 **for the costs of a purchase of, or conversion of a vehicle to, a flexible fuel vehicle**  
15 **that is designed to run on an alternative fuel and either petroleum gasoline or**  
16 **petroleum diesel if the vehicle has only a single fuel storage and delivery system**  
17 **and retains the capability to be propelled by petroleum gasoline or petroleum**

1            **diesel.**

2            Section 2. This Act shall become effective upon signature by the governor or, if not  
3 signed by the governor, upon expiration of the time for bills to become law without signature  
4 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
5 vetoed by the governor and subsequently approved by the legislature, this Act shall become  
6 effective on the day following such approval.

---

The original instrument was prepared by Thomas L. Tyler. The following digest, which does not constitute a part of the legislative instrument, was prepared by J. W. Wiley.

---

#### DIGEST

Claitor (SB 256)

Present law grants a refundable tax credit against income tax for 50% of the cost of purchase and installation of qualified clean-burning motor vehicle fuel property, or, as an alternative, 10% of the cost of a new motor vehicle or \$3,000, whichever is less.

Proposed law provides that nothing in the proposed law is to be construed to authorize a tax credit for the cost of a purchase of, or conversion of a vehicle to, a flexible fuel vehicle that is designed to run on an alternative fuel and either petroleum gasoline or petroleum diesel if the vehicle has only a single fuel storage and delivery system and retains the capability to be propelled by petroleum gasoline or petroleum diesel.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Amends R.S. 47:6035(C))

#### Summary of Amendments Adopted by Senate

##### Committee Amendments Proposed by Senate Committee on Revenue and Fiscal Affairs to the original bill

1. Changes the original language of the bill which modified the definition of "qualified clean-burning motor vehicle fuel property" to exclude a flexible fuel vehicle which is designed to run on gasoline or a blend of up to 85% ethanol.
2. Eliminates the repeal of the tax credit for the cost of property which is directly related to the delivery of an alternative fuel into the fuel tank of motor vehicles propelled by alternative fuel.
3. Removes provisions that the proposed law was intended to be retroactive and a clarification of the original intention of the legislature and was applicable to transactions occurring on and after July 1, 2013.

##### Senate Floor Amendments to engrossed bill

1. Makes Legislative Bureau technical change.