

216C.401 ELECTRIC VEHICLE REBATES.

Subdivision 1. **Definitions.** (a) For purposes of this section and section 216C.402, the terms in this subdivision have the meanings given.

(b) "Dealer" means a person, firm, or corporation that:

(1) possesses a new motor vehicle license under chapter 168;

(2) regularly engages in the business of manufacturing or selling, purchasing, and generally dealing in new and unused motor vehicles;

(3) has an established place of business to sell, trade, and display new and unused motor vehicles; and

(4) possesses new and unused motor vehicles to sell or trade the motor vehicles.

(c) "Electric vehicle" has the meaning given in section 169.011, subdivision 26a, paragraphs (a) and (b), clause (3).

(d) "Eligible new electric vehicle" means an electric vehicle that meets the requirements of subdivision 2, paragraph (a).

(e) "Eligible used electric vehicle" means an electric vehicle that meets the requirements of subdivision 2, paragraph (b).

(f) "Lease" means a business transaction under which a dealer furnishes an eligible electric vehicle to a person for a fee under a bailor-bailee relationship where no incidences of ownership are transferred other than the right to use the vehicle for a term of at least 24 months.

(g) "Lessee" means a person who leases an eligible electric vehicle from a dealer.

(h) "New eligible electric vehicle" means an eligible electric vehicle that has not been registered in any state.

Subd. 2. **Eligible vehicle.** (a) A new electric vehicle is eligible for a rebate under this section if the electric vehicle:

(1) has not been previously owned;

(2) is used by a dealer as a floor model or test drive vehicle and has not been previously registered in Minnesota or any other state; or

(3) is returned to a dealer by a purchaser or lessee:

(i) within two weeks of purchase or leasing or when a purchaser's or lessee's financing for the electric vehicle has been disapproved; or

(ii) before the purchaser or lessee takes delivery, even if the electric vehicle is registered in Minnesota; and

(4) has not been modified from the original manufacturer's specifications;

(5) has a manufacturer's suggested base retail price that does not exceed \$55,000;

(6) is purchased or leased from a dealer or directly from an original equipment manufacturer that does not have licensed franchised dealers in Minnesota; and

(7) is purchased or leased after May 25, 2023, for use by the purchaser and not for resale.

(b) A used electric vehicle is eligible for an electric vehicle rebate under this section: (1) if the electric vehicle has previously been owned in Minnesota or another state; (2) has not been modified from the original manufacturer's specifications; and (3) has a purchase price no greater than \$25,000, exclusive of taxes and fees.

Subd. 3. Eligible purchaser or lessee. A person who purchases or leases an eligible new or used electric vehicle is eligible for a rebate under this section if the purchaser or lessee:

(1) is one of the following:

(i) a resident of Minnesota, as defined in section 290.01, subdivision 7, paragraph (a), when the electric vehicle is purchased or leased;

(ii) a business that has a valid address in Minnesota from which business is conducted;

(iii) a nonprofit corporation incorporated under chapter 317A; or

(iv) a political subdivision of the state;

(2) has not received a rebate or tax credit for the purchase or lease of an electric vehicle from the state of Minnesota; and

(3) registers the electric vehicle in Minnesota.

Subd. 4. Rebate amounts. (a) A \$2,500 rebate may be issued under this section to an eligible purchaser to purchase or lease an eligible new electric vehicle.

(b) A \$600 rebate may be issued under this section to an eligible purchaser or lessee of an eligible used electric vehicle.

Subd. 5. Limits. The number of rebates allowed under this section is limited to:

(1) no more than one rebate per resident per household; and

(2) no more than one rebate per business entity per year.

Subd. 6. Program administration. (a) A rebate application under this section must be filed with the commissioner on a form developed by the commissioner.

(b) The commissioner must develop administrative procedures governing the application and rebate award process. Applications must be reviewed and rebates awarded by the commissioner on a first-come, first-served basis.

(c) The commissioner must, in coordination with dealers and other state agencies as applicable, develop a procedure to allow a rebate to be used by an eligible purchaser or lessee at the point of sale so that the rebate amount may be subtracted from the selling price of the eligible electric vehicle.

(d) The commissioner may reduce the rebate amounts provided under subdivision 4 or restrict program eligibility based on the availability of money to award rebates or other factors.

Subd. 7. Account established. (a) The electric vehicle rebate account is established as a separate account in the special revenue fund in the state treasury. The commissioner shall credit to the account appropriations and transfers to the account. Earnings, including interest, dividends, and any other earnings arising from

assets of the account, must be credited to the account. Money remaining in the account at the end of a fiscal year does not cancel to the general fund, but remains in the account until expended. The commissioner shall manage the account.

(b) Money in the account is appropriated to the commissioner to award rebates for electric vehicles and to reimburse the reasonable costs of the department to administer this section.

Subd. 8. **Expiration.** This section expires June 30, 2027.

History: 2023 c 60 art 12 s 40