



Fact Sheet

California Environmental Protection Agency
Air Resources Board

Local, State and Federal Zero-Emission Vehicle Incentives

Zero emission vehicles (ZEVs) are a key element of California's plan for reducing air pollution caused by automobiles. ARB is committed to the successful introduction of ZEVs and is taking steps to ensure the market is ready.

Why Are Incentives Necessary for ZEVs?

Incentives are commonly used by the government to promote new technologies that will benefit society. Because ZEVs are a new technology and are currently produced in very limited quantities, they are more expensive than conventional vehicles. To enhance marketability in the near term while costs are high, it is vital to provide monetary and non-monetary support in the form of incentives. There are a number of federal, state, local and private incentive programs currently available for ZEVs.

Federal Incentives

Contact the Internal Revenue Service for more information

- ◆ Tax credit for 10% of the cost of an EV, up to \$4,000. This incentive will be in place through 2004 but will be reduced by 25% in 2002, 50% in 2003 and 75% in 2004.
- ◆ Elimination of the luxury tax for alternative-fuel vehicles.

California State and Local Incentives

- ◆ The statewide Zero-Emission Vehicle Incentive Program (ZIP) provides up to \$3,000 per year for three years towards the purchase or lease of EVs. Visit www.ZEVinfo.com for additional information
- ◆ The City of Vacaville and the City of Dixon provide incentives towards the lease of an EV. Contact Ed Huestis, City of Vacaville, at (707) 449-5424.
- ◆ The Riverside Public Utility provides rebates of 10% of the vehicle's purchase price up to \$5,000 towards new passenger electric, hybrid or similar vehicles that the Riverside Public Utility deems eligible. Contact a Program & Services Representative at (909) 826-5485.
- ◆ The Vehicle Incentive Program (VIP) implemented by the Bay Area Air Quality Management District provides incentives to public fleets located in their jurisdiction. Visit www.baaqmd.gov/planning/plntrns/vip.htm for additional information.
- ◆ AB 71 allows single occupant electric vehicles use the high occupancy vehicle or carpool lanes beginning July 1, 2000. To obtain an application, visit www.dmv.ca.gov/forms/reg/reg1000.htm.
- ◆ The Los Angeles Airport (LAX) offers free parking and charging for EVs in Lot 1 in the Central Terminal Area and Lot C.
- ◆ The City of Sacramento, Off-Street Parking Department, offers free parking passes for EVs in downtown parking lots. For additional information call (916) 264-5110

- ◆ SB 1782 (Thompson) exempts from the vehicle license fee, the incremental cost associated with purchasing or leasing an alternative fuel or electric vehicle that meets ultra-low emission standards.
- ◆ The California Energy Commission offers incentives through their efficient vehicle program. Contact Irene Salazar at (916) 657-4046

Utility Incentives

- ◆ Los Angeles Department of Water and Power (LA DWP) provides discounts of \$0.025 per kilowatt-hour (kWh) for electricity used to recharge EVs. For additional information, visit www.greenla.com/ev/index.htm
- ◆ San Diego Gas and Electric offers a discount rate of \$0.036/kWh for electricity used to recharge EVs during off-peak time periods. They have a total of \$50,000 in seed money to help local businesses and governments install charging stations in its service area. For additional information, visit www.sdge.com/EV/index.html
- ◆ Sacramento Municipal Utility District (SMUD) offers a discount rate of \$0.04187/kWh for electricity used to recharge EVs during off-peak time periods. For additional information, visit www.smud.org/evs/index.html
- ◆ Pacific Gas and Electric offers a discount rate of between \$0.044/kWh to \$0.051/kWh for electricity used to recharge EVs during off-peak time periods. For additional information, visit www.pge.com
- ◆ Southern California Edison offers a discount rate of \$0.07825 per kWh for electricity used to recharge EVs during off-peak time periods. For additional information, visit www.sce.com/electrodrive/index.shtml

Infrastructure Incentives

- ◆ The Bay Area Air Quality Management District provides funding assistance to public agencies for EV infrastructure through its "Charge" program. For additional information, visit www.baaqmd.gov/planning/plntrns/charge.htm
- ◆ Ventura County provides incentives for installation of public EV chargers. Contact Stan Cowan, Ventura County Air Pollution Control District, at (805) 645-1444.
- ◆ The City of Vacaville and the City of Dixon provide incentives for installation of public EV chargers. Contact Ed Huestis, City of Vacaville, at (707) 449-5424.
- ◆ LA DWP provides incentives for installation of public EV chargers in the City of Los Angeles. Contact Mariko Marianes, LA DWP, at (213) 367-4114.
- ◆ Certain costs related to EV infrastructure can be deducted as a business expense under the IRS Code Sections 30 and 189A. This is further explained in Chapter 12 of Publication 535 which can be downloaded from <ftp://ftp.fedworld.gov/pub/irs-pdf/p535.pdf>
- ◆ A maximum business tax deduction of \$100,000 for electric recharging sites.

For More Information

Please contact the ARB toll-free at (800) END-SMOG/(800) 363-7664 (California only) or (800) 242-4450. More information on the Zero Emission Vehicle Program is available on ARB's web site at <http://www.arb.ca.gov/msprog/zevprog/zevprog.htm> or at <http://www.zevinfo.com>.

You may obtain this document in an alternative format by contacting ARB's ADA Coordinator at (916) 322-4505 (voice); (916) 324-9531 (TDD, Sacramento area only); or (800) 700-8326 (TDD, outside Sacramento).