

117TH CONGRESS  
1ST SESSION

**S.** \_\_\_\_\_

To amend the Internal Revenue Code of 1986 to extend certain tax credits related to electric cars, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

Mr. MERKLEY (for himself, Mr. BOOKER, Mr. SANDERS, Ms. ROSEN, Mr. SCHATZ, and Mr. LEAHY) introduced the following bill; which was read twice and referred to the Committee on \_\_\_\_\_

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**A BILL**

To amend the Internal Revenue Code of 1986 to extend certain tax credits related to electric cars, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Electric Credit Access  
5 Ready at Sale Act of 2021” or the “Electric CARS Act  
6 of 2021”.

1 **SEC. 2. EXTENSION AND MODIFICATION OF NEW QUALI-**  
2 **FIED PLUG-IN ELECTRIC DRIVE MOTOR VEHI-**  
3 **CLES CREDIT.**

4 (a) EXTENSION.—

5 (1) IN GENERAL.—Subsection (e) of section  
6 30D of the Internal Revenue Code of 1986 is  
7 amended to read as follows:

8 “(e) TERMINATION.—This section shall not apply to  
9 any new qualified plug-in electric drive motor vehicle  
10 placed in service after December 31, 2031.”.

11 (2) 2- AND 3-WHEELED PLUG-IN ELECTRIC VE-  
12 HICLES.—Subparagraph (E) of section 30D(g)(3) of  
13 such Code is amended by striking “or” at the end  
14 of clause (i), by redesignating clause (ii) as clause  
15 (iii), and by inserting after clause (i) the following  
16 new clause:

17 “(ii) after December 31, 2020, and  
18 before January 1, 2032, or”.

19 (b) CREDIT MAY BE ASSIGNED TO FINANCING ENTI-  
20 TY.—Section 30D(f) of the Internal Revenue Code of  
21 1986 is amended by adding at the end the following new  
22 paragraph:

23 “(8) CREDIT MAY BE ASSIGNED TO FINANCING  
24 ENTITY.—

25 “(A) IN GENERAL.—The taxpayer to whom  
26 the credit which would (but for this paragraph)

1 be allowed under subsection (a) for any taxable  
2 year with respect to a vehicle may assign such  
3 credit to the person who financed the purchase  
4 (or lease of at least 2 years) of such vehicle.  
5 Any person to whom such credit is assigned  
6 under the preceding sentence shall be treated  
7 for purposes of this title as the taxpayer who  
8 placed such vehicle in service.

9 “(B) DISCLOSURE REQUIREMENT.—Sub-  
10 paragraph (A) shall not apply with respect to  
11 any vehicle unless the person to whom the cred-  
12 it is assigned clearly discloses in writing to the  
13 taxpayer the amount of the credit allowable  
14 under subsection (a) with respect to such vehi-  
15 cle (determined without regard to subsection  
16 (c)).”.

17 (c) CARRYFORWARD OF UNUSED CREDIT.—Section  
18 30D of the Internal Revenue Code of 1986 is amended  
19 by redesignating subsection (g) (as amended by subsection  
20 (a)(2)) as subsection (h), and by inserting after subsection  
21 (f) the following new subsection:

22 “(g) CARRYFORWARD OF UNUSED CREDIT.—

23 “(1) IN GENERAL.—If the credit allowable  
24 under subsection (a) (after the application of sub-  
25 section (e)) exceeds the limitation imposed by section

1       26(a) for such taxable year reduced by the sum of  
2       the credits allowable under this subpart (other than  
3       subsection (a) of this section), such excess shall be  
4       carried to the succeeding taxable year and treated as  
5       a credit allowable under subsection (a) for such suc-  
6       ceeding taxable year.

7               “(2) LIMITATION.—No amount of credit may  
8       be carried forward under this subsection to any tax-  
9       able year following the 5th taxable year after the  
10      taxable year in which the credit arose. For purposes  
11      of the preceding sentence, credits shall be treated as  
12      used on a first-in, first-out basis.”.

13      (d) EFFECTIVE DATES.—

14              (1) EXTENSION.—The amendments made by  
15      subsection (a) shall apply to vehicles acquired after  
16      December 31, 2020.

17              (2) ASSIGNMENT.—The amendments made by  
18      subsection (b) shall apply to vehicles acquired more  
19      than 60 days after the date of the enactment of this  
20      Act.

21              (3) CARRYFORWARD.—The amendments made  
22      by subsection (c) shall apply to vehicles sold after  
23      the date of the enactment of this Act.

1 **SEC. 3. EXTENSION OF THE ALTERNATIVE FUEL VEHICLE**  
2 **REFUELING PROPERTY CREDIT.**

3 (a) **IN GENERAL.**—Section 30C(g) of the Internal  
4 Revenue Code of 1986 is amended by striking “2021” and  
5 inserting “2031”.

6 (b) **EFFECTIVE DATE.**—The amendment made by  
7 this section shall apply to property placed in service after  
8 December 31, 2021.

9 **SEC. 4. EXTENSION OF THE ALTERNATIVE MOTOR VEHICLE**  
10 **CREDIT.**

11 (a) **IN GENERAL.**—Paragraph (1) of section 30B(k)  
12 of the Internal Revenue Code of 1986 is amended by strik-  
13 ing “2021” and inserting “2031”.

14 (b) **EFFECTIVE DATE.**—The amendment made by  
15 this section shall apply to property placed in service after  
16 December 31, 2021.