II

114TH CONGRESS
2D SESSION

S. 3450

To amend the Internal Revenue Code of 1986 to include electric charging of certain vehicles as a qualified transportation fringe benefit excluded from gross income.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 28, 2016

Mr. BROWN introduced the following bill; which was read twice and referred to the Committee on Finance

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A BILL

To amend the Internal Revenue Code of 1986 to include electric charging of certain vehicles as a qualified transportation fringe benefit excluded from gross income.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CERTAIN ELECTRIC VEHICLE CHARGING TREATED AS A QUALIFIED TRANSPORTATION FRINGE.

(a) IN GENERAL.—Section 132(f)(1) of the Internal Revenue Code of 1986 is amended by adding at the end the following new subparagraph:

"(E) Charging of a qualified electric vehicle provided on or near the business premises of the employer.".

(b) LIMITATION.—

(1) IN GENERAL.—Section 132(f)(2) of the Internal Revenue Code of 1986 is amended by adding at the end the following new subparagraph:

"(D) $175 per month in the case of any benefit described in paragraph (1)(E).".

(2) APPLICATION OF INFLATION ADJUSTMENT.—Paragraph (6) of section 132(f) of such Code is amended by striking "subparagraphs (A) and (B) of paragraph (2)" and inserting "subparagraphs (A), (B), and (D) of paragraph (2)".

(c) QUALIFIED ELECTRIC VEHICLE.—Section 132(f)(5) is amended by adding at the end the following new subparagraph:

"(G) QUALIFIED ELECTRIC VEHICLE.—For purposes of paragraph (1)(E)—

"(i) IN GENERAL.—The term 'qualified electric vehicle' means any motor vehicle which—

"(I) is treated as a motor vehicle for purposes of title II of the Clean Air Act, "(II) has a gross vehicle weight rating of less than 14,000 pounds, and

"(III) is propelled to a significant extent by an electric motor which draws electricity from a battery which has a capacity of not less than 4 kilowatt hours and is capable of being recharged from an external source of electricity.

"(ii) 2- OR 3-WHEELED VEHICLES.—Such term includes any vehicle which—

"(I) has 2 or 3 wheels,

"(II) meets the requirements of subclauses (I), (II), and (III) of clause (i) (determined by substituting '2.5 kilowatt hours' for '4 kilowatt hours' in clause (i)(III)),

"(III) is manufactured primarily for use on public streets, roads, and highways, and

"(IV) is capable of achieving a speed of 45 miles per hour or greater.

"(iii) OTHER TERMS.—Any term used in this subparagraph which is also used in section 30D shall have the meaning given such term in section 30D.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2016.

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