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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. 1878

03/04/2021 Authored by Petersburg
The bill was read for the first time and referred to the Committee on Transportation Finance and Policy

1.1 A bill for an act
1.2 relating to transportation; imposing a tax on electric fuel distributed by a utility
1.3 through an electric vehicle charging station at a public or private parking space;
1.4 proposing coding for new law in Minnesota Statutes, chapter 296A; repealing
1.5 Minnesota Statutes 2020, section 168.013, subdivision 1m.

1.6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.7 Section 1. 296A.075] ELECTRIC FUEL TAX.

1.8 Subdivision 1. Definitions. (a) For the purposes of this section, the following terms have
1.9 the meanings given.

1.10 (b) "Distributed" means the receipt, delivery, or placing of electric fuel into the battery
1.11 or other energy storage device of an electric vehicle at a location in this state.

1.12 (c) "Electric fuel" means electrical energy delivered or placed into the battery or other
1.13 energy storage device of an electric vehicle to be used to power the electric vehicle.

1.14 (d) "Electric fuel dealer" means a person who owns or leases an electric vehicle charging
1.15 station that dispenses electric fuel, upon which the electric fuel tax has not been previously
1.16 paid, into the battery or other energy storage device of an electric vehicle in this state at a
1.17 location other than a residence.

1.18 (e) "Electric utility" or "utility" has the meaning given in section 216B.38, subdivision
1.19 5.

1.20 (f) "Electric vehicle" has the meaning given in section 169.011, subdivision 26a.

2.1 (g) "Electric vehicle charging station" or "charging station" means any facility or  
2.2 equipment, including any meters or submeters, that is used to charge a battery or other  
2.3 energy storage device of an electric vehicle.

2.4 (h) "Public or private parking space" means any location where a vehicle may park at  
2.5 any public or private location, including parking spaces at single-family or multifamily  
2.6 dwelling.

2.7 (i) "Residence" means the place where a person resides, permanently or temporarily.

2.8 Subd. 2. Tax imposed on electric fuel. (a) On and after January 1, 2022, a tax of 5-1/10  
2.9 cents per kilowatt hour is imposed on electric fuel distributed by a utility to an electric  
2.10 vehicle charging station at a public or private parking space for the purpose of charging  
2.11 electric vehicles to be used on the public highways of this state.

2.12 (b) For electric vehicle charging stations at a private parking space that is a residence,  
2.13 the tax must be collected by the utility that provides electric fuel to the electric vehicle  
2.14 charging station and must be collected from the vehicle owner or user by the utility at the  
2.15 time the electric fuel is distributed to the vehicle owner or user at the residence.

2.16 (c) For electric vehicle charging stations at a public parking space, the tax must be  
2.17 collected by the utility that provides electric fuel to the electric vehicle charging station and,  
2.18 except as allowed under paragraph (d), must be collected from the vehicle owner or user  
2.19 by the utility at the time the electric fuel is distributed to the vehicle owner or user at the  
2.20 public parking space.

2.21 (d) An electric fuel dealer that provides electric vehicle charging stations for use by  
2.22 customers of the electric fuel dealer may opt to not collect the electric fuel tax from customers  
2.23 or other users. An electric fuel dealer opting to not collect the electric fuel tax from customers  
2.24 or other users must submit the tax that would have otherwise been collected to the utility.

2.25 (e) An electric utility collecting the tax required by this subdivision must submit all of  
2.26 the tax proceeds collected to the commissioner of revenue on a monthly basis. The  
2.27 commissioner of revenue must deposit the proceeds of the tax collected under this paragraph  
2.28 into the highway user tax distribution fund.

2.29 Subd. 3. Residential customer statements. Each utility subject to this section shall  
2.30 provide on utility customer billing statements the amount of tax collected from the customer  
2.31 for electric fuel distributed to the customer at a charging station at the customer's residence.

2.32 Subd. 4. Exemptions. The provisions of subdivision 2 do not apply to electric fuel  
2.33 purchased by:

3.1 (1) a transit system or transit provider receiving financial assistance or reimbursement  
3.2 under section 174.24; 256B.0625, subdivision 17; or 473.384;

3.3 (2) providers of transportation to recipients of medical assistance home and  
3.4 community-based services waivers enrolled in day programs, including adult day care,  
3.5 family adult day care, day treatment and habilitation, prevocational services, and structured  
3.6 day services;

3.7 (3) an ambulance service licensed under chapter 144E; and

3.8 (4) providers of medical or dental services by a federally qualified health center, as  
3.9 defined under title 19 of the Social Security Act, as amended by section 4161 of the Omnibus  
3.10 Budget Reconciliation Act of 1990, with a motor vehicle used exclusively as a mobile  
3.11 medical unit.

3.12 Sec. 2. **REPEALER.**

3.13 Minnesota Statutes 2020, section 168.013, subdivision 1m, is repealed.

**168.013 VEHICLE REGISTRATION TAXES.**

Subd. 1m. **Electric vehicle.** In addition to the tax under subdivision 1a, a surcharge of \$75 is imposed for an all-electric vehicle, as defined in section 169.011, subdivision 1a. Notwithstanding subdivision 8, revenue from the fee imposed under this subdivision must be deposited in the highway user tax distribution fund.