

118TH CONGRESS
1ST SESSION

S. _____

To amend the Internal Revenue Code of 1986 to establish a tax on the sale of electric vehicles and batteries.

IN THE SENATE OF THE UNITED STATES

Mrs. FISCHER (for herself, Mr. RICKETTS, Mr. CORNYN, and Ms. LUMMIS) introduced the following bill; which was read twice and referred to the Committee on _____

A BILL

To amend the Internal Revenue Code of 1986 to establish a tax on the sale of electric vehicles and batteries.

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 “Stop EV Freeloading
5 Act”.

6 **SEC. 2. TAX ON SALE OF ELECTRIC VEHICLES AND BAT-**
7 **TERIES.**

8 (a) IMPOSITION OF TAX.—

1 (1) IN GENERAL.—Subchapter A of chapter 32
2 of the Internal Revenue Code of 1986 is amended by
3 adding at the end the following new part:

4 **“PART IV—ELECTRIC VEHICLES AND BATTERIES**

 “Sec. 4091. Tax on Electric Vehicles and Batteries.

5 **“SEC. 4091. TAX ON ELECTRIC VEHICLES AND BATTERIES.**

6 “(a) BATTERY MODULE.—There is hereby imposed
7 a tax equal to \$550 on each battery module with a weight
8 of greater than 1,000 pounds which is—

9 “(1) sold by the manufacturer, producer, or im-
10 porter thereof, and

11 “(2) intended for use in an electric vehicle.

12 “(b) ELECTRIC VEHICLES.—There is hereby imposed
13 a tax equal to \$1,000 on each electric vehicle sold by the
14 manufacturer, producer, or importer thereof.

15 “(c) DEFINITIONS.—In this section—

16 “(1) BATTERY MODULE.—The term ‘battery
17 module’ has the same meaning given such term in
18 section 45X(c)(5)(B)(iii).

19 “(2) ELECTRIC VEHICLE.—

20 “(A) IN GENERAL.—The term ‘electric ve-
21 hicle’ means a light-duty vehicle which satisfies
22 the requirements under section 30D(d)(1)(F).

23 “(B) EXCEPTION FOR HYBRID VEHI-
24 CLES.—The term ‘electric vehicle’ shall not in-

1 clude any motor vehicle which draws propulsion
2 energy from onboard sources of stored energy
3 which are both—

4 “(i) an internal combustion or heat
5 engine using consumable fuel, and

6 “(ii) a rechargeable energy storage
7 system.

8 “(3) LIGHT-DUTY VEHICLE.—The term ‘light-
9 duty vehicle’ means a motor vehicle, as defined in
10 section 30D(d)(2), which has a gross vehicle weight
11 rating of less than 8,500 pounds.”.

12 (2) CLERICAL AMENDMENT.—The table of
13 parts for subchapter A of chapter 32 of the Internal
14 Revenue Code of 1986 is amended by adding at the
15 end the following new item:

 “PART IV—ELECTRIC VEHICLES AND BATTERIES”.

16 (b) TRANSFER OF REVENUE TO HIGHWAY TRUST
17 FUND.—Section 9503(b)(1) of the Internal Revenue Code
18 of 1986 is amended—

19 (1) in subparagraph (D), by striking “and” at
20 the end,

21 (2) by redesignating subparagraph (E) as sub-
22 paragraph (F), and

23 (3) by inserting after subparagraph (D) the fol-
24 lowing new subparagraph:

1 “(E) section 4091 (relating to tax on elec-
2 tric vehicles and batteries), and”.

3 (c) EFFECTIVE DATE.—The amendments made by
4 this section shall apply to sales after December 31, 2023.