

PREVAILED	Roll Call No. _____
FAILED	Ayes _____
WITHDRAWN	Noes _____
RULED OUT OF ORDER	

HOUSE MOTION _____

MR. SPEAKER:

I move that House Bill 1722 be amended to read as follows:

- 1 Page 1, between the enacting clause and line 1, begin a new
- 2 paragraph and insert:
- 3 "SECTION 1. IC 6-3-3-13 IS ADDED TO THE INDIANA CODE
- 4 AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE**
- 5 **JANUARY 1, 2008]: Sec. 13. (a) As used in this section, "hybrid**
- 6 **vehicle" means a motor vehicle that:**
- 7 **(1) draws propulsion energy from both an internal**
- 8 **combustion engine and an energy storage device; and**
- 9 **(2) employs a regenerative braking system to recover waste**
- 10 **energy to charge the energy storage device that is providing**
- 11 **propulsion energy.**
- 12 **(b) As used in this section, "residual value" means the estimated**
- 13 **value of a vehicle upon expiration of a lease as established at the**
- 14 **beginning of the lease agreement and used in calculating the**
- 15 **lessee's monthly lease payments.**
- 16 **(c) A credit provided in this section is a refundable credit**
- 17 **against the individual's adjusted gross income tax liability imposed**
- 18 **by IC 6-3-1 through IC 6-3-7.**
- 19 **(d) Subject to the limitations in this section, an individual who**
- 20 **purchases or leases a new hybrid vehicle is entitled to a credit**
- 21 **under this section for the taxable year in which the individual**
- 22 **purchases or begins to lease the vehicle. The amount of the credit**
- 23 **is equal to one thousand dollars (\$1,000).**
- 24 **(e) An individual who leases a new hybrid vehicle is entitled to**

1 a credit equal to the amount determined under STEP FIVE of the
2 following formula:

3 STEP ONE: Determine the value of the vehicle as listed in the
4 lease agreement and negotiated by the dealer and the
5 purchaser.

6 STEP TWO: Determine the residual value of the hybrid
7 vehicle.

8 STEP THREE: Subtract the STEP TWO amount from the
9 STEP ONE amount.

10 STEP FOUR: Divide the STEP THREE result by the STEP
11 ONE amount.

12 STEP FIVE: Multiply the STEP FOUR result (rounded to the
13 nearest ten-thousandth (0.0001)) by one thousand dollars
14 (\$1,000).

15 (f) An individual who:

16 (1) claims a credit under this section for a leased hybrid
17 vehicle; and

18 (2) purchases the leased hybrid vehicle at the end of the lease
19 term;

20 is entitled to a credit under this subsection for the taxable year in
21 which the leased hybrid vehicle is purchased. The amount of the
22 credit provided in this subsection is equal to the result of the credit
23 claimed by the individual under subsection (e) at the beginning of
24 the lease term subtracted from one thousand dollars (\$1,000).

25 (g) The total number of credits that may be allowed under this
26 section in a particular state fiscal year may not exceed five
27 thousand (5,000) credits. Any credits claimed under subsection (f)
28 may not be considered in determining the number of credits that
29 may be allowed under this subsection.

30 (h) The department shall develop and implement a system that
31 informs the citizens of Indiana of the availability of a credit under
32 this section before the sale or lease of a hybrid vehicle for which
33 the individual may claim a credit under this section.

34 (i) To obtain the credit provided by this section, the individual
35 must:

36 (1) claim the credit on the individual's state tax return or
37 returns in the manner prescribed by the department; and

38 (2) submit to the department proof of all information that the
39 department determines is necessary for the calculation of the
40 credit.

41 (j) An individual is not entitled to a credit under this section if
42 the hybrid vehicle for which the credit is being claimed was
43 purchased for the purpose of resale or lease."

44 Page 10, between lines 9 and 10, begin a new paragraph and insert:

45 "SECTION 16. [EFFECTIVE JANUARY 1, 2008] IC 6-3-3-13, as
46 added by this act, applies to taxable years beginning after
47 December 31, 2007."

- 1 Renumber all SECTIONS consecutively.
 (Reference is to HB 1722 as printed January 26, 2007.)

Representative Lehe