

SENATE
STATE OF MINNESOTA
NINETY-SECOND SESSION

S.F. No. 1602

(SENATE AUTHORS: HOWE)

DATE	D-PG	OFFICIAL STATUS
03/01/2021	614	Introduction and first reading Referred to Transportation Finance and Policy
02/24/2022		Comm report: To pass as amended and re-refer to Energy and Utilities 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 utility" or "utility" has the meaning given in section 216B.38, subdivision

1.15 5.

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

1.17 Subd. 2. Tax imposed on electric fuel. (a) On and after January 1, 2023, a tax of 5.1

1.18 cents per kilowatt hour is imposed and shall be collected by a utility from the utility customer

1.19 on electric fuel knowingly distributed to the utility customer by the utility for the purpose

1.20 of charging an electric vehicle.

1.21 (b) An electric utility collecting the tax required by this subdivision must submit all of

1.22 the tax proceeds collected to the commissioner of revenue on a monthly basis. The

2.1 commissioner of revenue must deposit the proceeds of the tax collected under this paragraph
2.2 into the highway user tax distribution fund.

2.3 Subd. 3. **Information to utility.** A utility customer shall inform the utility, in writing
2.4 or electronically, when the utility customer purchases an electric vehicle or installs a charging
2.5 station capable of delivering electric fuel to an electric vehicle within 30 days of purchase
2.6 of the electric vehicle or installation of the charging station.

2.7 Subd. 4. **Exemptions.** The provisions of subdivision 2 do not apply to electric fuel
2.8 purchased by:

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

2.11 (2) providers of transportation to recipients of medical assistance home and
2.12 community-based services waivers enrolled in day programs, including adult day care,
2.13 family adult day care, day treatment and habilitation, prevocational services, and structured
2.14 day services;

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

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

2.20 **Sec. 2. REPEALER.**

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

APPENDIX
Repealed Minnesota Statutes: S1602-1

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.