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Senate

State of Minnesota

**S.F. No. 1602 – Tax on electricity used for charging electric vehicles
(as amended by the A-2 amendment)**

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S.F. 1602 (as amended by the A-2 amendment) imposes a tax of 5.1 cents per kilowatt hour for charging electric vehicles. The tax is collected by electric utilities from the customer for electric fuel knowingly distributed to that customer for charging an electric vehicle. A utility customer is required to inform the utility when the customer buys an electric vehicle or installs a charging station for an electric vehicle. The electric utility must submit the tax proceeds to the commissioner of revenue on a monthly basis. The commissioner must deposit the proceeds into the highway user tax distribution fund. The tax does not apply to electric fuel purchased by certain transit or transportation providers. The bill also repeals the existing \$75 surcharge imposed on all-electric vehicles.