

S.F. No. 2855 – Electric Fuel Tax Imposition

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Section 1 [Electric fuel tax] defines and imposes a tax on electric fuel used to charge or recharge the battery of an electric vehicle.

Subdivision 1 defines terms, including (1) charging station; (2) charging station operator; (3) electric fuel; (4) electric utility; (5) electric vehicle; (6) legacy chargers; and (7) public charging station.

Subdivision 2 imposes a tax of 5.1 cents per kilowatt hour on electric fuel used to charge or recharge an electric vehicle. Requires the tax imposed to be remitted by each charging station operator to the commissioner of revenue by no later than the 20th day of the month following the month which the charging occurred. Provides the revenue is deposited into the highway user tax distribution fund. Exempts electric vehicles charged at a private residence. Exempts electric vehicles with a charging capacity of less than 50 kilowatts and charging stations that do not require payment for use. Requires new charging stations that begin operations on or after October 1, 2023, to have a metering system capable of imposing the cost under this section for the charging service in kilowatts per hour. Exempts legacy chargers from the tax levied in this section until January 1, 2030.

Section 2 [Repealer] repeals the \$75 vehicle registration surcharge for all-electric vehicles.