At the end of title II, add the following:

Subtitle G—Electric Drive Motor Vehicles

SEC. 2701. EXPANSION OF TAX CREDIT FOR ELECTRIC DRIVE MOTOR VEHICLES.

(a) Application to New and Used Battery Electric Motor Vehicles.—

(1) In general.—Section 30D(a) of the Internal Revenue Code of 1986 is amended by striking “new qualified plug-in electric drive motor vehicle” and inserting “credit eligible electric motor vehicle”.

(2) Per vehicle dollar limitation.—Section 30D(b) of such Code is amended—

(A) in paragraph (1)—

(i) by striking “paragraphs (2) and (3)” and inserting “paragraphs (4) and (5)”;

(ii) by striking “In general” in the heading and inserting “New qualified
PLUG-IN ELECTRIC DRIVE MOTOR VEHICLES’’;
(B) by redesignating paragraphs (2) and (3) as paragraphs (4) and (5), respectively, and inserting after paragraph (1) the following new paragraphs:

“(2) NEW BATTERY ELECTRIC MOTOR VEHICLES.—

“(A) In general.—The amount determined under this subsection with respect to any new battery electric motor vehicle is—

“(i) $12,000 ($15,000 in the case of new battery electric motor vehicles acquired after December 31, 2020, and before the date which is 5 years after the date of the enactment of the Clean Economy Jobs and Innovation Act) if the price of such vehicle is not more than $35,000, and

“(ii) $7,500 if the price of such vehicle is greater than $35,000.

“(B) Determination of price.—For purposes of this paragraph, the term ‘price’ means—
“(i) except as provided in clause (ii),
the final sales price agreed upon by the
taxpayer and the person from whom the
taxpayer acquires such vehicle (determined
without regard to any taxes or fees im-
posed by any State or local government),
and
“(ii) in the case of a lease, the price
of the vehicle stated in the lease agreement
between the lessor and lessee (as so deter-
mined).
“(3) USED BATTERY ELECTRIC MOTOR VEHI-
CLES.—The amount determined under this sub-
section with respect to any used battery electric
motor vehicle is—
“(A) $5,000 if the taxpayer trades in a ve-
hicle that is powered by an internal combustion
engine in connection with the taxpayer’s acqui-
sition of such used battery electric motor vehi-

“(B) $0 in any other case.”; and
(C) in paragraph (5) (as so redesignated),
by striking “a vehicle” and inserting “a new
qualified plug-in electric drive motor vehicle”.

“
(3) Credit eligible electric motor vehicle.—Section 30D(d) of such Code is amended—

(A) by redesignating paragraphs (2), (3), and (4) as paragraphs (5), (6), and (7), respectively;

(B) by redesignating paragraph (1) as paragraph (2);

(C) in paragraph (2) (as so redesignated)—

   (i) in subparagraph (F), by inserting “utilizes an internal combustion engine and” before “is propelled”; and

   (ii) by striking “IN GENERAL” in the heading and inserting “NEW QUALIFIED PLUG-IN ELECTRIC DRIVE MOTOR VEHICLE”; 

(D) by striking all that precedes paragraph (2) (as so redesignated) and inserting the following:

“(d) Credit Eligible Motor Vehicle.—For purposes of this section—

“(1) Credit eligible motor vehicle.—The term ‘credit eligible motor vehicle’ means—

“(A) a new qualified plug-in electric drive motor vehicle,
“(B) a new battery electric motor vehicle,

and

“(C) a used battery electric motor vehicle.”; and

(E) by inserting after paragraph (2) (as so redesignated) the following new paragraphs:

“(3) NEW BATTERY ELECTRIC MOTOR VEHICLE.—The term ‘new battery electric motor vehicle’ means a motor vehicle—

“(A) which meets the requirements of subparagraphs (A) through (E) of paragraph (2),

“(B) which is powered by a battery electric drive train,

“(C) which produces zero exhaust emissions of any criteria pollutant (including any precursor pollutant) or greenhouse gas (other than emissions from air conditioning systems) under any possible operational modes or conditions,

“(D) the battery cell, battery pack, battery cooling system, and battery management system of which are all manufactured in the United States, and

“(E) the assembly of which is in the United States.
“(4) USED BATTERY ELECTRIC MOTOR VEHICLE.—

“(A) IN GENERAL.—The term ‘used battery electric motor vehicle’ means a motor vehicle—

“(i) the original use of which commences with a person other than the taxpayer,

“(ii) which meets the requirements of subparagraphs (B) through (E) of paragraph (2), and

“(iii) which meets the requirements of subparagraphs (B) through (E) of paragraph (3).

“(B) ONLY 1 CREDIT PER VEHICLE.—No credit shall be allowed under this section with respect to any used battery electric motor vehicle placed in service by the taxpayer if a credit is allowable under this section by reason of such vehicle being placed in service at any time prior to the time that such vehicle is placed in service by the taxpayer (other than a credit which is so allowable by reason of such vehicle being a new battery electric motor vehicle).’’.
(b) CARRYOVER OF PERSONAL CREDIT.—Section 30D(e)(2) of such Code is amended—

(1) by striking “For purposes” and inserting
the following:

“(A) IN GENERAL.—For purposes”; and

(2) by adding at the end the following new sub-
paragraph:

“(B) CARRYBACK AND CARRYFORWARD OF
UNUSED CREDITS.—

“(i) IN GENERAL.—If the credit de-
scribed in subparagraph (A) exceeds the
limitation imposed by section 26(a) for the
taxable year reduced by the sum of the
credits allowable under subpart A (deter-
mined without regard to the credit de-
scribed in subparagraph (A)), such excess
shall be—

“(I) carried back to the taxable
year preceding the taxable year in
which such amount arose, and

“(II) carried forward to the 5
taxable years following the taxable
year in which such amount arose.
“(ii) LIMITATION.—For purposes of clause (i), the amount of credit carried back or forward under such clause—

“(I) shall be taken into account as a credit described in subparagraph (A) for the taxable year to which carried (except, in the case of a carryback, such amount shall not be taken into account for purposes of applying clause (i) to such taxable year), and

“(II) such amounts shall be treated as used on a first-in, first-out basis, determined on the basis of the taxable year in which such amount arose.”.

(c) ASSIGNMENT OF CREDIT TO FINANCING ENTITY.—Section 30D(f) of such Code is amended by adding at the end the following new paragraph:

“(8) CREDIT MAY BE ASSIGNED TO FINANCING ENTITY.—

“(A) IN GENERAL.—In the case of a credit determined under subsection (a) with respect to a new qualified plug-in electric drive motor vehicle or a new battery electric motor vehicle, the
taxpayer to whom such credit would (but for
this paragraph) be allowed under subsection (a)
for any taxable year may assign such credit to
the person who financed the purchase (or lease
of at least 2 years) of such vehicle. Any person
to whom such credit is assigned under the pre-
ceding sentence shall be treated for purposes of
this title as the taxpayer who placed such vehi-
cle in service.

“(B) Disclosure requirement.—Sub-
paragraph (A) shall not apply with respect to
any vehicle unless the person to whom the cred-
it is assigned clearly discloses in writing to the
taxpayer the amount of the credit allowable
under subsection (a) with respect to such vehi-
cle (determined without regard to subsection
(e)).”.

(d) Modification of termination of credit.—

(1) Repeal of manufacturers limitation.—Section 30D of such Code is amended by
striking subsection (e).

(2) Termination of credit.—Section 30D of
such Code is amended by adding at the end the fol-
lowing new subsection:
“(h) TERMINATION.—This section shall not apply to any vehicle placed in service after December 31, 2030.”.

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to vehicles acquired after December 31, 2018.

(2) CARRYFORWARD.—The amendments made by subsection (b) shall apply to vehicles acquired after the date of the enactment of this Act.

(3) ASSIGNMENT.—The amendment made by subsection (c) shall apply to vehicles acquired after the date which is 60 days after the date of the enactment of this Act.