



Hybrid Electric Vehicle

Oregon Department of Energy

Energy Tax Credit program offers tax credits totaling up to \$1,500 if you buy a qualifying new hybrid electric vehicle with an on-board charging system. You claim the tax credits when you file your state income tax.

The Oregon Residential Energy Tax Credit program was established to encourage residents to invest in energy-saving appliances, heating systems and alternative fuels. Hybrid electric vehicles have an electric motor and transmission system that allows the vehicle to use electricity as an alternative fuel. These vehicles are eligible for a credit even if they use conventional fuel as back-up or staple fuel. They also have regenerative brakes designed to recover energy from stopping to re-charge the battery.

The tax credit for new hybrid electric vehicles is \$750 or 25 percent of the cost, whichever is less. A second tax credit is allowed for the on-board hybrid charging system and is also \$750 or 25 percent of the cost*, whichever is less.

To qualify for a tax credit, you must have an Oregon income tax liability. You claim the tax credit when you file your state income tax. If you are an Oregon resident and do not have an Oregon income tax liability, you may choose to transfer your tax credit to an Oregon resident who does. The Pass-through Option will allow you transfer your tax credit to an individual or business with an Oregon tax liability who will make a lump-sum payment to you equal to 95 percent of the certified tax credit amount. To use this option, complete this application form first. Your application will be reviewed for eligibility. A Pass-through Option Application will be sent to you in return. You and your pass-through partner (the tax credit recipient) will complete and sign the Pass-through Option Application and mail it to the Oregon Department of Energy. You are responsible for finding your own pass-through partner. The Department of Energy will then issue the tax credit certification to the pass-through partner. There may be tax implications for the pass-through partner. We advise you to consult with your tax preparer. It will take longer to process a pass-through tax credit.

Don't wait to apply for the tax credit. You'll receive a Certification that you will need when you file your tax return.

Eligibility criteria for hybrid electric vehicle with on-board charging system:

- The vehicle must be new and registered and licensed for roadway use by the Oregon Department of Motor Vehicles.
- Only the contract owner or purchaser of the vehicle is eligible for the tax credits.
- The purchaser of the vehicle must agree that he/she does not intend to transfer ownership of this hybrid vehicle to a non-Oregon resident for a period of one year. (Per Oregon Administrative Rule 330-070-0073 (10)(d).
- An operator of a qualifying vehicle with a lease (or a lease with an option to purchase) may claim the tax credit. You must attach a letter of authorization with your application form allowing you to claim the credit on behalf of the owner (lessor). The letter must be signed by the owner.
- The on-board hybrid charging system must meet all state and local fire and life safety codes.

* The cost of the on-board hybrid charging system (regenerative braking, charge controller, battery/engine link-controller) is generally not an itemized cost item. Hybrid vehicle manufacturers have verified that the cost is more than \$3,000 in all cases. The Oregon Department of Energy will use the \$3,000 figure that allows you the full tax credit of \$750.

If you meet these criteria, follow these steps to receive your tax credit:

- 1. Complete the Application and Verification Form for Residential Energy Tax Credit Certification – Hybrid Electric Vehicle.** The form may be filled out on your computer. Please print it, sign it and mail it with your receipt to the Oregon Department of Energy. The forms can NOT be filed on-line. Provide proof of payment. This would include a copy of your dated purchase receipt, contract or invoice documenting the vehicle is paid in full. It could also be proof of lienholder interest from your bank or credit union if you financed the car. These documents should clearly identify the car including Vehicle Identification Number (VIN), your name, the dealer's name, the lienholder's name (if applicable), and the purchase price amount.
- 2. Submit the application to the Oregon Department of Energy.** If your paperwork demonstrates that your equipment and/or system qualify for the tax credit, the Oregon Department of Energy will approve your application and send you a signed System Certification with the qualifying tax credit amount.
- 3. Claim your tax credit on your state income tax form.** Keep your Certification, a copy of your application and proof of payment for your records. Do not attach them to your tax return. Upon audit or examination, the Oregon Department of Revenue may ask you to provide the information to verify your credit claimed. Tax credits, or portions of the tax credit, not taken in the first year may be carried forward up to five years.

Your dealer may assist you with paperwork. If you have any questions, please call the Oregon Department of Energy toll-free: 1-800-221-8035. (In Salem, call 503-378-4040), or consult the Energy Department Web site (www.oregon.gov/energy).

If you have questions concerning claiming the credit on your Oregon tax return, contact the Oregon Department of Revenue at 1-800-356-4222 or 503-378-4988.





Application and Verification Form
for Residential Energy Tax Credit Certification

Hybrid Electric Vehicle

Oregon Department of Energy

625 Marion St. NE
Salem, OR 97301-3737
Toll-free: 1-800-221-8035
Salem: (503) 378-4040 Fax (503) 373-7806
Web site: www.oregon.gov/energy

Don't forget...
...to include your
license plate number

1. CUSTOMER INFORMATION

Name:		Social Security No.*:	
Mailing address:		Daytime phone:	
City:	Oregon County:	State:	Zip:
Name of electric utility company:		Name of natural gas utility company:	
Date of purchase:			
Dealer name and city:			

2. VEHICLE DESCRIPTION

Manufacturer:	Model:
REQUIRED: Oregon Department of Motor Vehicles license plate number	
Manufacturer-assigned vehicle identification number (VIN):	

3. COST OF EQUIPMENT and TAX CREDIT CALCULATION

1. Base sales price of vehicle minus \$3,000	\$
2. On-board charging unit (manufacturer's state cost of charging system)	\$3,000
3. Multiply line 1 by 0.25 (enter up to \$750)	\$
4. Multiply line 2 by 0.25 (enter up to \$750)	\$
5. Total tax credit: Add line 3 and 4	\$

* The request for your Social Security Number is authorized by Section 405, Title 42, of the United States Code. You must provide this information. It is used to establish your identity for tax purposes only.

FOR OFFICE USE ONLY

File No.:
Date Received:
Tax Credit Amount:
Tax Year:

4. PASS-THROUGH OPTION

- No – I want to keep the full tax credit myself
- Yes – I want to transfer my tax credit to another Oregon resident (see below)

If you are an Oregon resident, the Pass-through Option will allow you transfer your tax credit to an individual with an Oregon tax liability who will make a lump-sum payment to you equal to 95% of the certified tax credit amount. To use this option, complete this application form first. Your application will be reviewed for eligibility. A Pass-through Option Application will be sent to you in return. You and your pass-through partner (the tax credit recipient) will complete and sign the Pass-through Option Application and mail it to the Oregon Department of Energy. The Department of Energy will then issue the tax credit certification to the pass-through partner. This can take up to six weeks. **Important: There may be tax implications for the pass-through partner. We advise you to consult with your tax preparer.**

5. DECLARATIONS

I understand that the Oregon Department of Energy does not make any warranty concerning the performance, operation, or any other characteristic or feature of this vehicle. Energy Department approval is only for purposes of obtaining the Oregon Residential Energy Tax Credit. By signing below, I (we) certify that the vehicle(s) described in this application is (are) purchased and that the information contained herein is accurate and true.

The Oregon Department of Energy does not sell information from this application as a mailing list. However, we may be required to disclose the name, address and phone number from your application under the Oregon Public Records law ORS 192.410 et seq. We can withhold your address and phone number following a written request explaining personal safety concerns, such as a temporary restraining order. The Oregon Department of Energy does not endorse any company that requests the information.

6. APPLICATION SIGNATURES

In accepting this tax credit, I (we) acknowledge that I (we) do not intend to transfer ownership of this hybrid vehicle to a non-Oregon resident for a period of one year. (as per Oregon Administrative Rule 330-070-0073 (10)(d).

Signature of Purchaser: _____ Date _____

Signature of Joint Purchaser: _____ Date _____

If two or more persons are purchasing this system and file separate tax returns, give names, addresses and percentage of ownerships.

Name: _____ Address: _____ % ownership: _____

Name: _____ Address: _____ % ownership: _____

7. MAILING INSTRUCTIONS

Photocopy all documents for your records. Attach a clear copy of proof of purchase to your original application and mail to:

Oregon Department of Energy
625 Marion St. NE
Salem, OR 97301-3737

Note: The Oregon Department of Energy certifies the energy efficiency of appliances for the Oregon Residential Energy Tax Credit Program. It is the applicant's responsibility to ensure compliance with all other eligibility requirements. If you have questions concerning claiming the credit on your Oregon tax return, contact the Oregon Department of Revenue at 1-800-356-4222 or 503-378-4988.