

118TH CONGRESS  
1ST SESSION

**S.** \_\_\_\_\_

To amend the Internal Revenue Code of 1986 to establish a tax on the sale of electric vehicles and batteries.

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IN THE SENATE OF THE UNITED STATES

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Mrs. FISCHER (for herself, Mr. RICKETTS, Mr. CORNYN, and Ms. LUMMIS) introduced the following bill; which was read twice and referred to the Committee on \_\_\_\_\_

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## A BILL

To amend the Internal Revenue Code of 1986 to establish a tax on the sale of electric vehicles and batteries.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Stop EV Freeloading  
5 Act”.

6 **SEC. 2. TAX ON SALE OF ELECTRIC VEHICLES AND BAT-**  
7 **TERIES.**

8 (a) IMPOSITION OF TAX.—

1           (1) IN GENERAL.—Subchapter A of chapter 32  
2           of the Internal Revenue Code of 1986 is amended by  
3           adding at the end the following new part:

4    **“PART IV—ELECTRIC VEHICLES AND BATTERIES**

      “Sec. 4091. Tax on Electric Vehicles and Batteries.

5    **“SEC. 4091. TAX ON ELECTRIC VEHICLES AND BATTERIES.**

6           “(a) BATTERY MODULE.—There is hereby imposed  
7           a tax equal to \$550 on each battery module with a weight  
8           of greater than 1,000 pounds which is—

9                   “(1) sold by the manufacturer, producer, or im-  
10           porter thereof, and

11                   “(2) intended for use in an electric vehicle.

12           “(b) ELECTRIC VEHICLES.—There is hereby imposed  
13           a tax equal to \$1,000 on each electric vehicle sold by the  
14           manufacturer, producer, or importer thereof.

15           “(c) DEFINITIONS.—In this section—

16                   “(1) BATTERY MODULE.—The term ‘battery  
17           module’ has the same meaning given such term in  
18           section 45X(c)(5)(B)(iii).

19                   “(2) ELECTRIC VEHICLE.—

20                           “(A) IN GENERAL.—The term ‘electric ve-  
21           hicle’ means a light-duty vehicle which satisfies  
22           the requirements under section 30D(d)(1)(F).

23                           “(B) EXCEPTION FOR HYBRID VEHI-  
24           CLES.—The term ‘electric vehicle’ shall not in-

1           clude any motor vehicle which draws propulsion  
2           energy from onboard sources of stored energy  
3           which are both—

4                   “(i) an internal combustion or heat  
5                   engine using consumable fuel, and

6                   “(ii) a rechargeable energy storage  
7                   system.

8           “(3) LIGHT-DUTY VEHICLE.—The term ‘light-  
9           duty vehicle’ means a motor vehicle, as defined in  
10          section 30D(d)(2), which has a gross vehicle weight  
11          rating of less than 8,500 pounds.”.

12          (2) CLERICAL AMENDMENT.—The table of  
13          parts for subchapter A of chapter 32 of the Internal  
14          Revenue Code of 1986 is amended by adding at the  
15          end the following new item:

          “PART IV—ELECTRIC VEHICLES AND BATTERIES”.

16          (b) TRANSFER OF REVENUE TO HIGHWAY TRUST  
17          FUND.—Section 9503(b)(1) of the Internal Revenue Code  
18          of 1986 is amended—

19               (1) in subparagraph (D), by striking “and” at  
20               the end,

21               (2) by redesignating subparagraph (E) as sub-  
22               paragraph (F), and

23               (3) by inserting after subparagraph (D) the fol-  
24               lowing new subparagraph:

1                   “(E) section 4091 (relating to tax on elec-  
2                   tric vehicles and batteries), and”.

3           (c) EFFECTIVE DATE.—The amendments made by  
4 this section shall apply to sales after December 31, 2023.