

# Informational reference document

## EVSE Incentives

Information on Federal and State Incentives for Municipalities and Private Businesses.  
Last Updated on 11/19/2021

### Introduction

The following information is on the topic of incentives for local governments and business owners regarding Electric Vehicle Infrastructure (EVI) at the State and Federal levels of government. Some of these opportunities are not currently open at the time of this document, resulting in limited information. This information will be updated as new developments occur.

### Federal Incentives

#### Alternative Fuel Vehicle Refueling Property Credit

##### *Description*

This 30 percent tax credit is intended for property of a character subject to an allowance for depreciation (business/investment use property).<sup>1</sup> The credit for all property placed in service at each location is generally the smaller of 30% of the property's cost or \$30,000. For property of a character not subject to an allowance for depreciation placed in service at your main home (personal use property), the credit for all property placed in service at your main home is generally the smaller of 30% of the property's cost or \$1,000. Each property's cost must first be reduced by any section 179 expense deduction taken for the property. Interested parties should review and follow the instructions link listed below 'more information'.

##### *Qualifications*

Qualified alternative fuel vehicle refueling property is any property (other than a building or its structural components) used for either of the following:

- To store or dispense an alternative fuel (defined below) other than electricity into the fuel tank of a motor vehicle propelled by the fuel, but only if the storage or dispensing is at the point where the fuel is delivered into that tank.
- To recharge an electric vehicle, but only if the recharging property is located at the point where the vehicle is recharged.
- Electricity.

In addition, the following requirements must be met to qualify for the credit:

- You placed the refueling property in service during your tax year.
- The original use of the property began with you.
- The property isn't used predominantly outside the United States.
- If the property isn't business/investment use property, the property must be installed on property used as your main home.

### **Exceptions**

If you are the seller of new refueling property to a tax-exempt organization, governmental unit, or a foreign person or entity, and the use of that property is described in section 50(b)(3) or (4), you can claim the credit, but only if you clearly disclose in writing to the purchaser the amount of the tentative credit allowable for the refueling property (included on line 7 of Form 8911). Treat all property eligible for this exception as business/investment use property. If you elect to claim the credit, you must reduce cost of goods sold by the amount you entered on line 7 for that property.

### **More Information**

**Link:** <https://afdc.energy.gov/laws/10513>

**Instructions:** <https://www.irs.gov/pub/irs-pdf/i8911.pdf>

**Form 8911:** <https://www.irs.gov/pub/irs-pdf/f8911.pdf>

**Section 179:** <https://www.law.cornell.edu/uscode/text/26/179>

## **Illinois State Government Incentives**

### **Charging Rebate Program**

#### **Description**

Beginning July 1, 2022, the State of Illinois will offer rebates to public and private organizations and companies to install and maintain Level 2 or Level 3 charging stations.<sup>ii</sup> Additional incentives may be awarded per port for each charging station installed in an eligible community and every charging station located to support eligible persons. Up to 80 percent of the cost of the installation of charging stations will be subsidized. Applications must be submitted to the State of Illinois and applicants must commit to paying the prevailing wage<sup>1</sup> for the installation project. Applications will be accepted on a rolling basis. Awards will be given within 60 days of the application's submittal, as long as funds are available.

#### **More Information**

**Beneficial Electrification Plan Language:** <https://www.ilga.gov/legislation/102/SB/10200SB2940.htm>

**Consumers and Climate First Act** (page 212; 20 ILCS 627/55):

<https://www.ilga.gov/legislation/102/SB/PDF/10200SB2408lv.pdf>

---

<sup>1</sup> Prevailing wage in the context of government contracting, is defined as the hourly wage, benefits, etc. that must be paid to subcontractors.

## Smart Grid Infrastructure Development and Support

### Description

The [Illinois Science and Energy Innovation Trust](#) (Trust) will provide financial and technical support to public and private entities within the state for programs and projects that support, encourage, or utilize innovative technologies and methods to modernize the state's electric grid.<sup>iii</sup> Technologies may include advanced electricity storage and peak-shaving technologies, such as electric vehicles (EV) or devices that allow EVs to engage in smart grid functions. The Trust also offers assistance for standards development regarding communication and interoperability of appliances and equipment connected to the electric grid. Electric utilities may voluntarily commit to investments in smart grid advanced metering infrastructure deployment. Participating utilities must consult with the [Smart Grid Advisory Council](#) and file a [Smart Grid Advanced Metering Infrastructure Deployment Plan](#) with the [Illinois Commerce Commission](#).

### More Information

**Link:** <https://afdc.energy.gov/laws/9774>

**Reference 220 Illinois Compiled Statutes 5/16-108.5 through 108.7:**

<https://www.ilga.gov/legislation/ilcs/fulltext.asp?DocName=022000050K16-108.5>

## Transportation Electrification Infrastructure Projects

### Description

The Illinois Environmental Protection Agency (IEPA) has provided transportation electrification grants of \$70,000,000 for, but not limited to, electric vehicle charging infrastructure.<sup>iv</sup> The IEPA will prioritize investments in medium- and heavy-duty vehicle charging, and electrification of public transit, fleets, and school buses. (Reference Public Act 101-0029).

### More Information

**Link:** <https://afdc.energy.gov/laws/12308>

**Public Act 101-0029:** <https://www.ilga.gov/legislation/publicacts/101/PDF/101-0029.pdf>

**Qualified EVSE Installers:** <https://www.icc.illinois.gov/authority/electric-vehicle-charging-station-installer>

**Incentives by State:** <https://www.ncsl.org/research/energy/state-electric-vehicle-incentives-state-chart.aspx>

---

<sup>i</sup> U.S. Department of Energy. 2021. Alternative Fuel Infrastructure Tax Credit. March 30. Accessed November 1, 2021. <https://afdc.energy.gov/laws/10513>.

<sup>ii</sup> Illinois General Assembly. 2021. "Consumers and Climate First Act." *Illinois State Government*. Springfield: Illinois State Government, August 1, 2021.

<sup>iii</sup> Alternative Fuels Data Center. 2019. *Smart Grid Infrastructure Development and Support*. Accessed November 10, 2021. <https://afdc.energy.gov/laws/9774>.

<sup>iv</sup> Alternative Fuels Data Center. 2019. *Transportation Electrification Infrastructure Projects*. Accessed November 15, 2021. <https://afdc.energy.gov/laws/12308>.