

**State of Vermont
Incentive Program for eBikes**

PROGRAM GUIDELINES

July 2022



1 PROGRAM OVERVIEW

Fossil-fueled transportation in Vermont significantly impacts the State's economy and environment. The State of Vermont's Comprehensive Energy Plan includes several long-term goals to electrify the transportation sector to reduce emissions and costs. In addition, the Vermont Global Warming Solutions Act established actionable requirements for reducing greenhouse gas emissions in the State by specific deadlines with policies and programs for the transportation sector, including eBike incentives, as detailed in Strategy 2: Light Duty Electric Vehicle Purchase Incentives in the 2021 initial Climate Action Plan. Accordingly, the Vermont legislature authorized and the Vermont Agency of Transportation (VTrans) is now offering an incentive program to consumers for the purchase of eligible electric bicycles. The Program was established by section 28 of the 2021 Transportation Bill ([Act 55](#)) with additional funding and modifications to program requirements subsequently authorized by section 28 of the 2022 Transportation Bill ([Act 184](#)).

The total incentive pool is equally available to all eligible Vermont residents on a first-come, first-served basis contingent upon funding availability. VTrans has allocated \$100,000 total to the Program over fiscal years 2022 and 2023. Once this amount has been exhausted, VTrans incentives under this program will no longer be available. The incentives are subject to both electric bicycle availability and available funding from VTrans. Program terms and conditions may change at any time in VTrans sole discretion.

Vermont eBike Incentives will be processed by the administrator, the Center for Sustainable Energy (CSE). Consumers will have two options to receive the rebate, either through retailer point-of-sale incentives at participating retailers or through the consumer post-sale option..

As described below, retailers opting into the point-of-sale incentive program will pass through State eBike incentives to their customers at the retailer point of sale and receive reimbursement from the Administrator. Customers purchasing eBikes from a non-participating retailer, purchasing from an online retailer, or desiring to receive their rebate directly for other reasons will be required to complete and submit a State incentive application to receive a check in the mail after they have taken delivery of their eBike.

Rebate funds are reserved at the time of application submission. CSE will ensure that no eligible Vermont resident receives more than one incentive over the lifetime of the program using a unique identifier, and in particular, that no one receives both a retailer point-of-sale incentive and a direct consumer reimbursement incentive for the same eBike purchase.

Additional details on the incentive process are included in the sections below.

2 ELIGIBILITY

The Vermont eBike Incentive Program was established with state transportation funds to support the State's greenhouse gas emissions reduction goals. Program incentives are therefore limited to the purchase of electric bicycles expected to serve basic transportation needs of Vermonters and to reduce or avoid vehicle miles travelled in an automobile. Vermonters intending to purchase electric bicycles solely for recreation are asked not to apply. The Program's eligibility requirements related to both the purchaser and the eBike are detailed below.

2.1 PURCHASER REQUIREMENTS

2.1.1 Residency

Consumers purchasing an eBike must be a Vermont resident at the time of purchase. **A legible copy of a current (not expired) Vermont driver's license or Vermont Non-Driver ID card is required as proof of residency.** If a Vermont resident does not have a current Vermont driver's license or Non-Driver ID card, a recent (within 3 months) utility bill with the consumers name and address will be required. The name on the receipt must match the name on the Consumer eBikes Attestation Form, Proof of Residency and the following application form. If the consumer's name is not listed on the Sales Receipt, other sales documentation should be provided with the application.

2.1.2 One Per Individual for adults 16 years of age or older

The Vermont eBike Incentives are available for a maximum of one (1) electric bicycle rebate per eligible Vermont resident over the lifetime of the program. Vermonters must be at least 16 years of age to be eligible for a rebate.

2.1.3 Adjusted Gross Income

Incentive eligibility will be limited to eBike purchasers meeting the Adjusted Gross Income (AGI) requirements in Table 1 below. AGI is determined by the purchaser's most recent State of Vermont income tax filing as reported on Vermont Department of Taxes Form IN-111 on line 1 - "Federal Adjusted Gross Income." The federal income tax IRS 1040 form also lists AGI on Line 11 of the 2020 and 2021 form.

Incentive amounts are listed in Table 1 according to the filing status of the purchaser, Adjusted Gross Income, and eBike purchase price (before tax). Applicants with low to moderate income can receive an enhanced rebate.

Incentives will be applied by vendors against the purchase price (before tax) of the electric bicycle. CSE will reimburse the retailers according to Table 1 as defined below. For the Standard

Rebate, the base incentive amount will be up to \$250, but no more than 30% of the purchase price (before tax). For the Enhanced Rebate, the incentive amount will be up to \$400, but no more than 50% of the purchase price (before tax). In other words, for the Standard Rebate, eBikes over \$833.33 will receive a \$250 rebate. For eBikes under \$833.33, rebates will be provided at 30% of the sale price. For the Enhanced Rebate, eBikes over \$800.00 will receive a \$400 rebate. For eBikes under \$800.00, rebates will be provided at 50% of the sale price.

Table 1. Incentive Amounts by Tax Filing Status, Adjusted Gross Income, and eBike Cost

Enhanced Rebate Eligibility and Incentive Amount		
Adjusted Gross Income	State Incentive Amount	
	New eBike Cost: less than \$800.00*	New eBike Cost: greater than \$800.00*
<ul style="list-style-type: none"> • \$50,000 or less for an Individual filing as single or head of household • \$50,000 or less for a Married couple filing separately • \$75,000 or less for a Married couple filing jointly • \$75,000 or less for an Individual filing as a qualifying widower 	50% of sale price	\$400
Standard Rebate Eligibility and Incentive Amount		
Adjusted Gross Income	State Incentive Amount	
	New eBike Cost: less than \$833.33*	New eBike Cost: greater than \$833.33*
<ul style="list-style-type: none"> • \$50,001 to \$100,000 for an Individual filing as single or head of household • \$50,001 to \$100,000 for a Married couple filing separately • \$75,001 to \$125,000 for a Married couple filing jointly • \$75,001 up to \$125,000 for an Individual filing as qualifying widower 	30% of sale price	\$250

*The Purchase Price does not include sales tax.

2.2 ELIGIBLE EBIKES

2.2.1 Power

eBikes must be equipped with a battery supplying 750 watts of power or less to be eligible for a rebate.

2.2.2 New eBike Status

eBikes must be sold as new.

3 INCENTIVE PROCESSING

3.1 SUPPORTING DOCUMENTS

To apply for the incentive under this program, you must:

1. Complete and submit an online application:
 - a. For consumer post-sale rebates, the purchaser has two months to submit a rebate application after the date of purchase to be eligible for a rebate. For Retailer Point-of-Sale rebates, a retailer should submit a rebate application during the purchase with the consumer, or within 15-days of sale. Income-eligibility will be self-certified by Program applicants. However, VTrans will audit a subset of applications for income verification. VTrans will redeposit incentive payments that it recovers from ineligible applicants as a result of an audit into the incentive pool.
2. Submit all supporting documents required by VTrans including:
 - a. A complete and signed Consumer eBike Attestation Form
 - b. Proof of Residency including a legible copy of a current (not expired) Vermont driver's license or Vermont Non-Driver ID card. If a Vermont resident does not have a current Vermont driver's license or Non-Driver ID card, a recent (within 3 months) utility bill with the consumers name and address will be required. To receive the retailer point-of-sale incentive under this Program, you must show proof of residency and present it to the vendor at the time of purchase. The vendor must verify consumer eligibility before the vendor can apply any incentive to your transaction.
 - c. Sales Receipt: The name on the receipt must match the name on the Consumer eBike Attestation Form, Proof of Residency and the following application form. If the consumer's name is not listed on the Sales Receipt, other sales documentation should be provided with the application. The sales receipt must include the following information:
 - i. Sales Date
 - ii. Sale Price (before tax)

- iii. eBike Model
- iv. eBike Unique ID (if applicable)
- v. Applied incentive amount (for Retailer Point-of-Sale claims only)

3.2 INCENTIVE CLAIMS

The Purchaser has the option to apply the rebate directly to their purchase at a participating retailer at the time of purchase, or to receive a check directly through the Consumer Post-Sale Rebate option. If a customer indicates to the retailer at any point in the sale process that they prefer to claim the rebate and receive the payment directly, the retailer shall not proceed with an incentive application for that customer.

Retailers and consumers will submit a completed incentive application online, along with accompanying supporting documentation as defined above. More information can be found on the Drive Electric Vermont website. For consumer post-sale rebates, the purchaser has two months to submit a rebate application after the date of purchase to be eligible for a rebate. For Retailer Point-of-Sale rebates, a retailer should submit a rebate application during the purchase with the consumer, or within 15-days of sale.

3.2.1 Retailer Participation Opt-In

Retailers interested in offering point-of-sale incentive to their customers will be required to complete a Participating Retailer Agreement prior to being eligible to participate. The Program does not issue a 1099 for your rebate. It is the sole responsibility of the Participating dealers and eBike purchaser/lessee incentive recipients to seek professional advice and determine any tax consequences of participation in the Program.

3.2.2 Consumer and Retailer Payment

Once an application has been submitted, the Center for Sustainable Energy will process the consumer post-sale or retailer application. CSE will process applications within 7-10 days and confirm consumer and eBike eligibility. Additional time may be required in situation where additional follow-up is needed.

If the application meets all requirements, CSE will send a check to the consumer at the address submitted with the application. For Retailer Point-of-Sale claims, checks for Approved applications will be mailed to the address submitted on the Retailer Agreement. Checks will be mailed within 6-8 weeks of approval.

4 AUDIT PROCESS

Incentive applicants will self-certify their adjusted gross income eligibility and that they have not already received an incentive under the statewide incentive program within the last 12 months. To prevent fraud, VTrans will audit a subset of applications for accuracy. VTrans may choose to audit suspicious applications or a random subset or both.

Applicants will be required to agree to provide their tax returns or a release to enable VTrans to obtain their tax returns and related records relevant to their income certification on the incentive application form they sign. The audit may extend to other program requirements, including that the applicant was a Vermont resident with a valid Vermont driver's license at the time of purchase. Failure to provide requested documents and to provide reasonable cooperation in the event of an audit will result in revocation of the incentive and an obligation to repay the State the full amount of the incentive plus interest at the statutory rate from the date the incentive was awarded.

Incentive application forms will include the following statement regarding the audit process:

“The Vermont Agency of Transportation (VTrans) has the right to audit eligibility for this incentive. In the event of an audit, VTrans will require the applicant to complete a State of Vermont Tax Department form 8821-VT (Authorization to Release Tax Information). Following receipt of this form, the Tax Department will release the relevant State of Vermont income tax return (form IN-111) information to VTrans for verifying that the applicant's income met the State incentive program requirements for the incentive amount received. Failure to provide the State with a completed form 8821-VT within 21 days following a written request will cause the applicant to be deemed non-responsive and thus ineligible for the incentive. If an applicant is deemed ineligible for the State of Vermont incentive amount claimed—either due to their nonresponse or by an audit finding—then the applicant will be obligated to promptly repay the State the full amount of the incentive received plus interest at the statutory rate from the date the incentive was awarded.”

5 CUSTOMER SUPPORT

If you have questions about Program Terms and Conditions, contact the Center for Sustainable Energy by phone at (888)-807-0446 or by email at VTebikes@energycenter.org. Customers needing additional support with the application process or are having difficulty providing supporting documentation for the State incentive program should contact CSE's customer support for further assistance with incentive submittals.