State of Vermont
Incentive Program for New Plug-in Electric Vehicles

PROGRAM GUIDELINES

August 26, 2022
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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 to be detailed in a forthcoming Climate Action Plan.

While the use of plug-in electric vehicles (PEVs) continues to grow as more models are available at lower price points, Vermont is not currently electrifying its transportation sector on pace to meet its energy and climate requirements. The State of Vermont established a PEV incentive program to accelerate the market and help low- to moderate-income Vermonters enjoy the benefits of PEVs. These benefits include faster acceleration compared to combustion vehicles, a smoother and quieter ride, lower emissions, reduced operation and maintenance costs, and the convenience of being able to charge at home or work.

Combined with a federal tax credit for PEV purchases and additional incentives offered by electric utilities, eligible consumers have an opportunity to save thousands of dollars on the purchase or lease of a new PEV.

This document contains program guidelines for the implementation of the State of Vermont Incentive Program for New PEVs (Program), including information on eligibility and processing options to be used by Program partners or consumers interested in additional details on how the Program works.

The Program was established by section 34 of the 2019 Transportation Bill (Act 59), amended by section 14 of the 2020 Transportation Bill (Act 121), and further amended by sections B.1100.1(a)(2)(C), G.101, and G.112 of the 2020 Appropriations Bill (Act 154). Section 10 of the 2021 Transportation Bill (Act 55) and Section 5 of the 2022 Transportation (Act 184) subsequently made additional changes to funding and eligibility requirements.

The Program was originally offered through the State’s Electric Distribution Utilities (DUs) from the launch in late 2019. The State has contracted with the Center for Sustainable Energy (CSE) to take over Program administration starting in June 2022.

CSE will provide incentives to eligible applicants for eligible vehicles through dealers at the point of sale or lease. In addition, a consumer-direct rebate option will be available in cases where EVs are purchased from a dealership entity or manufacturer that is not participating in the point-of-sale or -lease program, or when a consumer prefers this approach. CSE has subcontracted with VEIC to provide consumer outreach and assistance in support of the Program through Drive Electric Vermont (DEV). Program information and updates are available from DEV’s website: www.DriveElectricVT.com.

The total incentive pool is equally available to all eligible Vermont residents on a first-come, first-served basis contingent upon funding availability. The program incentives are available to Vermont residents only.
Incentive eligibility will be limited to PEV 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 type of PEV. All-electric vehicles receive greater incentives than plug-in hybrid electric vehicles, and applicants with low to moderate income can receive an enhanced rebate.

*Table 1. Incentive Amounts by Tax Filing Status, Adjusted Gross Income, and Type of PEV*

<table>
<thead>
<tr>
<th>Tax Filing Status</th>
<th>Adjusted Gross Income (AGI) Limits</th>
<th>State Incentive Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Plug-in Hybrid Electric Vehicle (PHEV)</td>
<td>All-Electric Vehicle (AEV)</td>
</tr>
<tr>
<td>Individual filing as single or head of household</td>
<td>$50,000 or less</td>
<td>$3,000</td>
</tr>
<tr>
<td></td>
<td>$50,001 up to $100,000</td>
<td>$1,500</td>
</tr>
<tr>
<td>Married couple filing jointly</td>
<td>$75,000 or less</td>
<td>$3,000</td>
</tr>
<tr>
<td></td>
<td>$75,001 up to $125,000</td>
<td>$1,500</td>
</tr>
<tr>
<td>Married couple filing separately</td>
<td>$50,000 or less</td>
<td>$3,000</td>
</tr>
<tr>
<td></td>
<td>$50,001 up to $100,000</td>
<td>$1,500</td>
</tr>
<tr>
<td>Individual filing as qualifying widower</td>
<td>$75,000 or less</td>
<td>$3,000</td>
</tr>
<tr>
<td></td>
<td>$75,001 up to $125,000</td>
<td>$1,500</td>
</tr>
</tbody>
</table>

The Program does not extend to commercial or non-profit organizations.

For consumer-direct rebates, the purchaser or lessee has two months to submit a rebate application after the date of purchase/lease to be eligible for a rebate. For Dealer Point-of-Sale rebates, a dealership should submit a rebate application during the purchase/lease with the consumer, or within 15-days of sale/lease. Income-verification will be self-reported 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 **ELIGIBILITY**

The Program’s eligibility requirements related to both the purchaser and the vehicle are detailed below.

2.1 **PURCHASER REQUIREMENTS**

2.1.1 **Residency**
Consumers purchasing or leasing a new PEV must be a Vermont resident at the time of purchase. A legible copy of a current (not expired) Vermont driver’s license is required as proof of residency. The individual applying for the rebate must be listed on the purchase/lease agreement and the original new vehicle registration.

2.1.2 **Adjusted Gross Income**
As described in the Program Overview above, State incentives are limited to purchasers meeting the Adjusted Gross Income (AGI) requirements shown in Table 1 above.

PEV consumers can determine their AGI eligibility by checking their most recent State of Vermont income tax return filed as of the date of purchase or lease. The Vermont Department of Taxes form IN-111 lists “Federal Adjusted Gross Income” on Line 1. The federal income tax IRS 1040 form also lists AGI on line 11 of the 2020 and 2021 form.

For applicants who have not filed a recent tax return, documentation may be required to calculate income if they are subject to an incentive audit. Examples of additional documentation that may be required includes W2s, bank statements, or other income verification documentation requested by the State of Vermont.

2.1.3 **One Per Individual Per Year**
Pursuant to Act 55 of 2021, incentives are limited to one per individual per year. The annual limit will be determined on the basis of a minimum 12-month interval from a prior State of Vermont PEV incentive application approval. Not more than one incentive under the Program can be used for the purchase or lease of any one PEV.

2.1.4 **Research Participation**
The State of Vermont may request participation from incentive recipients in ongoing research efforts that support the State’s Comprehensive Energy Plan and Climate Action Plan requirements or continuing Program improvements. The State and/or its designee(s) may administer vehicle owner surveys to collect data and other information pertaining to their PEV purchase or lease and ownership or lessee experience.
2.2 VEHICLE REQUIREMENTS & ELIGIBLE MODELS

2.2.1 Base MSRP Cap
Incentives are available for Plug-in Hybrid Electric Vehicles sold/leased as new with a base advertised manufacturer’s suggested retail price (MSRP) of $40,000 or less and All-Electric Vehicles sold/leased as new with a base advertised MSRP of $45,000 or less at the time of the sale or lease on the automaker’s website. All-electric vehicles (AEVs) and plug-in hybrid electric vehicles (PHEVs) are eligible. Incentive amounts for each type of vehicle are included in Table 1 above. Vehicles sold or leased with a vehicle price greater than $40,000 for Plug-in Hybrids and $45,000 for All-Electric Vehicles are eligible for incentives as long as the advertised MSRP for the lowest trimline of that model (base MSRP) on the automaker’s website does not exceed those respective caps. Vehicle MSRP exemptions are only available for individuals with disabilities that require special registration plates and placards as defined in 23 V.S.A §304a. Table 2 below includes a list of the models available in Vermont that are eligible for the Program as of June/July 2022. Vehicles must be on this list to be eligible for a rebate.

2.2.2 New Vehicle
If the supporting documentation provided with an incentive application does not satisfactorily prove the vehicle is new, the incentive processor will require additional documentation. Additional supporting documentation must be submitted within 10 calendar days to avoid application cancellation.

Vehicles previously used as dealership floor models and test drive vehicles will be eligible for an incentive if they were not previously registered.

New leased vehicles (not previously registered) will be eligible for the State incentive program provided the lease term is 24 months or longer and are registered within the State of Vermont.

2.2.3 Vermont Registration
Vehicles must be registered in the State of Vermont and participants must retain ownership of the vehicle for a minimum of 24 consecutive months after the vehicle purchase or lease date. Rebate recipients who do not retain the vehicle for the full 24-month ownership or lease term shall be required to notify the administrator and reimburse VTrans all or part of the original rebate.

The Drive Electric Vermont website¹ will maintain a listing of models eligible for the Program along with a listing of dealerships participating in the point-of-sale or -lease incentive program. Drive Electric Vermont will make reasonable efforts to keep the listing of eligible models current but is not expected to update this list in real time.

Table 2 is provided for the convenience of Program applicants and does not guarantee that a listed vehicle will be eligible. Manufacturers may increase a vehicle’s base MSRP over the base MSRP caps previously mentioned before the table is modified. If the base MSRP for a vehicle model is increased by an automaker over the $40,000 cap for Plug-in Hybrid Electric Vehicles and the $45,000 cap for All-Electric

¹ Drive Electric Vermont website: https://www.driveelectricvt.com/
Vehicles, the vehicle model will no longer be eligible for a State of Vermont incentive from the date of the price change, even if Table 2 has not yet been modified to reflect this change.

Automaker adjustments to MSRP pricing as new model year vehicles are announced may impact eligibility. If a model becomes ineligible due to the base MSRP increasing with a model year change, then sales of earlier model year vehicles that were previously eligible may still receive a State of Vermont incentive while supplies of those model year vehicles remain available.

*Table 2. PEV Models Eligible for Incentives* (on the following page)

THE TABLE BELOW IS PROVIDED FOR THE CONVENIENCE OF PROGRAM APPLICANTS. APPLICANTS ARE RESPONSIBLE FOR DETERMINING THAT THE PLUG-IN HYBRID THEY PURCHASE OR LEASE HAS A BASE ADVERTISED MSRP OF $40,000 OR LESS AT THE TIME OF THE SALE OR LEASE OR THE ALL-ELECTRIC VEHICLE THEY PURCHASE OR LEASE HAS A BASE ADVERTISED MSRP OF $45,000 OR LESS AT THE TIME OF SALE OR LEASE.* VEHICLES OVER THE BASE MSRP CAP AT THE TIME OF THE SALE OR LEASE WILL NOT BE ELIGIBLE FOR A STATE INCENTIVE. MANUFACTURERS MAY CHANGE THEIR PRICES AT ANYTIME. THIS TABLE MAY NOT REFLECT CURRENT PRICING.

* Vehicle MSRP exemptions are only available for individuals with disabilities that require special registration plates and placards as defined in 23 V.S.A §304a.
### Table 2. PEV Models Eligible for Incentives

<table>
<thead>
<tr>
<th>Make / Model</th>
<th>Electric Range (miles)</th>
<th>Total Range (miles)</th>
<th>Current Base MSRP</th>
<th>Eligible Model Year(s)</th>
<th>Eligibility Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Plug-in Hybrid Vehicles (Gasoline + Electric)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 Chrysler Pacifica Hybrid</td>
<td>32</td>
<td>520</td>
<td>$46,978</td>
<td>2017-2020</td>
<td>Model year 2021 Pacifica ineligible</td>
</tr>
<tr>
<td>2 Ford Escape PHEV</td>
<td>47</td>
<td>340</td>
<td>$33,940</td>
<td>2021-2022</td>
<td></td>
</tr>
<tr>
<td>3 Honda Clarity PHEV</td>
<td>47</td>
<td>340</td>
<td>$33,400</td>
<td>2018-2021</td>
<td>Production ended Aug 2021</td>
</tr>
<tr>
<td>4 Hyundai Ioniq PHEV</td>
<td>29</td>
<td>630</td>
<td>$26,800</td>
<td>2018-2021</td>
<td>Production ended July 2022</td>
</tr>
<tr>
<td>5 Hyundai Santa Fe PHEV</td>
<td>30</td>
<td>440</td>
<td>$40,000</td>
<td>2022</td>
<td></td>
</tr>
<tr>
<td>6 Hyundai Tucson PHEV</td>
<td>33</td>
<td>420</td>
<td>$34,900</td>
<td>2022</td>
<td></td>
</tr>
<tr>
<td>7 Kia Niro PHEV</td>
<td>26</td>
<td>560</td>
<td>$29,590</td>
<td>2018-2022</td>
<td></td>
</tr>
<tr>
<td>8 Kia Sportage PHEV</td>
<td>34</td>
<td>420</td>
<td>$38,490</td>
<td>2023</td>
<td></td>
</tr>
<tr>
<td>9 Mini Countryman SE All4</td>
<td>12</td>
<td>270</td>
<td>$41,500</td>
<td>2018-2020</td>
<td>Model year 2021+ ineligible</td>
</tr>
<tr>
<td>10 Mitsubishi Outlander PHEV</td>
<td>24</td>
<td>310</td>
<td>$36,995</td>
<td>2018-2022</td>
<td></td>
</tr>
<tr>
<td>11 Subaru Crosstrek Hybrid</td>
<td>25</td>
<td>640</td>
<td>$35,845</td>
<td>2019-2023</td>
<td></td>
</tr>
<tr>
<td>12 Toyota Prius Prime</td>
<td>25</td>
<td>640</td>
<td>$28,770</td>
<td>2017-2022</td>
<td></td>
</tr>
<tr>
<td>13 Toyota RAV4 Prime</td>
<td>42</td>
<td>600</td>
<td>$40,300</td>
<td>2021-2022</td>
<td>Orders after 6/3/2022 ineligible</td>
</tr>
<tr>
<td><strong>All-Electric Vehicles</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14 Chevrolet Bolt</td>
<td>259</td>
<td>259</td>
<td>$25,600</td>
<td>2017-2023</td>
<td></td>
</tr>
<tr>
<td>15 Chevrolet Bolt EUV</td>
<td>247</td>
<td>247</td>
<td>$33,000</td>
<td>2023</td>
<td></td>
</tr>
<tr>
<td>17 Ford Mustang Mach-E</td>
<td>224-303</td>
<td>224-303</td>
<td>$46,895</td>
<td>2022</td>
<td>Model Year 2023+ ineligible; orders after 8/30/2022 ineligible</td>
</tr>
<tr>
<td>18 Hyundai Ioniq EV</td>
<td>170</td>
<td>170</td>
<td>$33,245</td>
<td>2017-2021</td>
<td></td>
</tr>
<tr>
<td>19 Hyundai Ioniq 5</td>
<td>220-303</td>
<td>220-303</td>
<td>$39,950</td>
<td>2022</td>
<td></td>
</tr>
<tr>
<td>20 Hyundai Kona EV</td>
<td>258</td>
<td>258</td>
<td>$34,000</td>
<td>2019-2022</td>
<td></td>
</tr>
<tr>
<td>21 Kia EV6</td>
<td>232-310</td>
<td>232-310</td>
<td>$40,900</td>
<td>2022</td>
<td></td>
</tr>
<tr>
<td>22 Kia Niro Electric</td>
<td>239</td>
<td>239</td>
<td>$39,990</td>
<td>2019-2022</td>
<td></td>
</tr>
<tr>
<td>23 Mini Cooper SE</td>
<td>110</td>
<td>110</td>
<td>$34,225</td>
<td>2018-2023</td>
<td></td>
</tr>
<tr>
<td>24 Nissan LEAF / LEAF Plus</td>
<td>149-226</td>
<td>149-226</td>
<td>$27,800</td>
<td>2011-2023</td>
<td></td>
</tr>
<tr>
<td>25 Subaru Solterra</td>
<td>228</td>
<td>228</td>
<td>$44,995</td>
<td>2023</td>
<td></td>
</tr>
<tr>
<td>26 Toyota bZ4X</td>
<td>222-252</td>
<td>222-252</td>
<td>$42,000</td>
<td>2023</td>
<td></td>
</tr>
<tr>
<td>27 Tesla Model 3</td>
<td>263-353</td>
<td>263-353</td>
<td>$46,990</td>
<td>n/a</td>
<td>Must have ordered on or before October 5, 2021 to be eligible. Tesla increased the price above the $40,000 eligibility cap on October 6, 2021</td>
</tr>
<tr>
<td>28 Volkswagen ID.4</td>
<td>260</td>
<td>260</td>
<td>$41,230</td>
<td>2021-2022</td>
<td></td>
</tr>
</tbody>
</table>
3 INCENTIVE PROCESSING

State PEV incentives will be processed by the administrator, the Center for Sustainable Energy (CSE). As described below, dealerships opting into the point-of-sale incentive program will pass through State incentives to their customers at the dealership point of sale or lease and receive reimbursement from the Administrator.

Customers purchasing/leasing PEVs from a non-participating dealership, purchasing/leasing from an online dealership, 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 vehicle.

Rebate funds are reserved at the time of application submission, and incentives are provided on a first come, first served basis. CSE will ensure that no individual receives more than one incentive per year using a unique identifier, and in particular, that no one receives both a dealer point-of-sale incentive and a direct consumer reimbursement incentive for the same vehicle purchase.

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

3.1 PROGRAM FUNDING AND SUNSET PROCESS

Program funding relies on legislative appropriations. The Drive Electric Vermont website will report on the Program funds currently available based on these appropriations. Future Program funding beyond these funds is uncertain. Once funding is fully reserved, the online Application Portal will be closed for all new application submissions.

3.2 DEALER POINT-OF-SALE INCENTIVES

The Purchaser/Lessee has the option to apply the rebate directly to their down payment at the time of purchase, or to receive a check directly through the Consumer-Direct Rebate option described in section 3.3. Point-of-sale incentives provide consumers with added convenience and in some cases are critical to affordability as they reduce the required out-of-pocket expenses and/or borrowing capacity of the PEV purchaser/lessee. Prior pilot programs of PEV dealer incentives in Vermont included participation from many dealerships across the State. The Vermont Vehicle and Automotive Distributors Association (VADA) has assisted the State in outreach to dealerships to encourage their participation in the Program.

Participating dealerships will submit a completed incentive application online (see Appendix A for the sample application), along with accompanying supporting documentation as defined below. Applications must be submitted through the online Application Portal at https://vermont.drive-electric.org/ and more information can be found at https://www.driveelectricvt.com. A dealership must submit a rebate application during the purchase/lease with the consumer, or within 15-days of sale/lease.
3.2.1 Dealership Incentive Submission Supporting Documents
Dealerships are responsible for ensuring that the customer and the vehicle meet eligibility requirements as outlined in the program guidelines.

- Signed Consumer Attestation Form - This form should be complete, signed and submitted via the online Application Portal with all other supporting documents.
- Full and complete copy of the purchase or lease agreement with all pages - The purchase or lease agreement must be signed and executed and all accompanying documentation scans/photos should be clearly legible. The Rebate Processing Specialist must be able to determine the customer received the full value of their incentive.
  - Leases must be for a term of 24 months or longer to be eligible for the incentive.
  - In the case of either a financed purchase or lease, the customer’s full incentive amount shall be applied to the down payment on the vehicle. If dealership documentation systems do not have the ability to itemize down payment contributions to clearly show the State of Vermont incentive amount, then dealers may use the down payment verification template included in Appendix C – Dealer Point-of-Sale Incentive Down Payment Verification Template of these guidelines to meet this documentation requirement.
  - Other incentives the customer may be eligible for, including separate DU incentives, the federal tax credit, and/or other available incentives may also be shown on the purchase/lease contract, provided the Program incentive is specifically itemized.
- Proof of Vermont residency - A copy of a current (not expired) Vermont driver’s license valid at the time of sale or lease is required. The name appearing on the driver’s license must match the name of the Purchaser/lessee on the invoice or bill of sale.
- Vehicle registration - An application for registration of new vehicle must be included with the Program application as proof of registration and must meet these requirements:
  - The registered owner name/lessee matches the name on the State Incentive Program incentive application and on the final purchase agreement/lease.
  - The vehicle must be registered in Vermont
  - The form is complete and signed.

3.2.2 Dealer Participation Opt-In
Auto dealers interested in offering point-of-sale or -lease incentives to their customers will be required to complete a Participating Dealer Agreement (see Appendix B) 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 EV purchaser/lessee incentive recipients to seek professional advice and determine any tax consequences of participation in the Program.

3.2.3 State Purchase and Use Tax
Consumers purchasing or leasing an electric vehicle remain subject to the State of Vermont’s new vehicle purchase and use tax. The State incentive is applied to the down payment and so does not reduce the
overall purchase price used as the basis for the purchase and use tax. Consumers are expected to pay the
tax for both consumer-direct and auto dealership point-of-sale incentive delivery options.

3.2.4 Customer-Direct Rebate Preference
Customers have the option to either allow the dealership to claim their rebate amount, as described above,
or to claim the incentive and request check payment directly after purchase (see Section 3.3 below). If a
customer indicates to the dealership at any point in the sale process that they prefer to claim the rebate
and receive the payment directly, the dealer shall not proceed with an incentive application for that
customer.

3.2.5 Dealership Payment
To become a participating dealer, a dealership must provide Automated Clearing House (ACH) payment
information to the program Administrator and agree to receive all rebate payments by ACH. If the
dealership rebate claim application meets all requirements, the VTrans program Administrator will pay
the rebate amount to the dealership by ACH. ACH payments are initiated within 60 calendar days of
claim approval and are generally received by the dealership one to three days later.

3.3 Consumer Direct Incentives
Eligible PEV purchasers or lessees who prefer to receive a direct rebate for an eligible vehicle can do so
by purchasing/leasing an eligible vehicle and then filing an incentive application within 60 days of their
purchase/lease. Applications must be submitted through the online Application Portal at
https://vermont.drive-electric.org/ and more information can be found at https://www.driveelectricvt.com.

Customers opting for a direct EV incentive will not receive upfront down payment reductions and will
likely make higher monthly payments (if they are financing) compared to the dealer point-of-sale option.
CSE’s administration of the Program does not issue 1099s for consumer direct incentives. The State of
Vermont EV incentive may be considered taxable income by the U.S. Internal Revenue Service and the
Vermont Department of Taxes. It shall be the sole responsibility of the recipient, individually, to seek
professional advice and determine any tax consequences of receiving an incentive.

3.3.1 Consumer Direct Incentive Submission
Once the consumer takes delivery of their vehicle they must complete the incentive application online and
submit with required documentation to the Administrator.

- Signed Consumer Attestation Form - This form should be complete, signed and submitted via the
  online Application Portal with all other supporting documents.
- Full and complete copy of the purchase or lease agreement with all pages - The purchase or lease
  agreement must be signed and executed and all accompanying documentation scans/photos
  should be clearly legible.
  - Leases must be for a term of 24 months or longer to be eligible for the incentive.
• Proof of Vermont residency - A copy of a current (not expired) Vermont driver’s license valid at the time of sale or lease is required. The name appearing on the driver’s license must match the name on the State Incentive Program application and the final purchase agreement/lease.

• Vehicle registration - An application for registration of new vehicle must be included with the Program application as proof of registration and must meet these requirements:
  o The registered owner name/lessee matches the name on the State Incentive Program incentive application and on the final purchase agreement/lease.
  o The vehicle must be registered in Vermont
  o The form is complete and signed.

3.3.2 Consumer Direct Payment
The Administrator will process the consumer direct application and send a check to the customer at the address submitted with the application. Applications are processed within 7-10 days, but additional time may be required in situations where additional follow-up is needed. If approved, checks will be mailed within 6-8 weeks of approval.

4 AUDIT PROCESS
Incentive applicants will self-verify their adjusted gross income eligibility and self-verify 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

For more information about the State incentive program for new electric vehicles, questions about your application, or dealership inquiries related to the program please contact the Center for Sustainable Energy by calling 888-807-0446 or emailing vermontPEV@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.

6 PROGRAM OUTREACH & REPORTING

The Drive Electric Vermont website will promote the Program, including links to CSE’s Application Portal for the program, electric utility incentive programs, and other relevant resources.

CSE and VEIC will provide training opportunities for staff of dealerships participating in the point-of-sale incentive option. This training will offer information on all the PEV incentives currently available to Vermonters, including the federal tax credit, the State New PEV Incentive Program, and DU incentives.
State of Vermont Electric Vehicle Consumer Attestation Form

A fillable PDF form has been developed with the following information for both Consumer-Direct and Dealership Point-of-Sale incentives. This form is required to be submitted with every application. For Consumer-Direct incentives, consumers should purchase/lease their new EV, complete this form, and submit this along with other required supporting documentation on the Application Portal listed within the Program Guidelines. For Dealership Point-of-Sale Incentives, dealer sales staff will work with customers to complete the application form and submit the required documentation. Dealers will clearly credit the customer down payment for an electric vehicle purchase or lease for eligible customers participating in the State Incentive Program as defined in the Program Guidelines.

1. Incentive Claim Option (select one)
   a. Dealership Point-of-Sale Incentive
   b. Consumer Direct Incentive

2. Incentive Amount (select only one based on the eligibility table below)
   a. $2,500 New All-Electric Vehicle Standard Incentive
   b. $1,500 New Plug-in Hybrid Electric Vehicle Standard Incentive
   c. $4,000 New All-Electric Vehicle Enhanced Incentive
   d. $3,000 New Plug-in Hybrid Electric Vehicle Enhanced Incentive

3. Incentive Attestation Checkboxes (verify each of the following statements is true)
   a. I verify my adjusted gross income reported on my most recent tax return filing meets the requirements in Table 1 below for the incentive I am claiming and understand this is subject to audit by the State of Vermont.
   b. I verify I have not received an incentive under the Vermont PEV incentive program for at least 12 months.
   c. I agree to the current Terms and Conditions and the Program Guidelines in place at the time of my application submission.

4. Consumer Signature
5. Consumer Date
### Table 1. Incentive Amounts by Tax Filing Status, Adjusted Gross Income, and Type of Vehicle

<table>
<thead>
<tr>
<th>Tax Filing Status</th>
<th>Adjusted Gross Income (AGI) Limits</th>
<th>Plug-in Hybrid Electric Vehicle (PHEV)</th>
<th>All-Electric Vehicle (AEV)</th>
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</thead>
<tbody>
<tr>
<td>Individual filing as single or head of household</td>
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</tr>
<tr>
<td></td>
<td>$75,001 up to $125,000</td>
<td>$1,500</td>
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<td>$2,500</td>
</tr>
</tbody>
</table>

### Submission Terms & Conditions

- Customer must be a Vermont resident and meet income qualifications outlined in the Program Guidelines.
- Limit of one incentive per individual per year, as determined by a minimum 12-month elapsed time from a prior State of Vermont EV incentive approval.
- Vehicle must be registered in the State of Vermont.
- State Incentives are only available on new vehicle purchase or leases of eligible models with a base MSRP of $40,000 or less for Plug-in Hybrid Electric Vehicles and $45,000 or less for All-Electric Vehicles. Vehicle MSRP exemptions are available for individuals with disabilities that require special registration plates and placards as defined in 23 V.S.A §304a.
- Eligibility for personal use vehicles only; not available for vehicles intended for resale.
- Customers receiving the point of sale/lease option acknowledge the dealership has applied the rebate to the down payment of the vehicle. The dealership is responsible for submitting this form and supporting documentation and will receive the rebate amount in full.
- Leases must be for a term of 24 months or longer to be eligible for an incentive.
- The State of Vermont may request participation from incentive recipients in ongoing research efforts. The State and/or its designee(s) may administer electric vehicle owner surveys or other outreach to collect data and other information pertaining to the recipients’ EV purchase and ownership experience.
- 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 EV purchase contract.
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 repay the State the full amount of the incentive received plus interest at the statutory rate from the date the incentive was awarded.

- The State of Vermont EV incentive may be considered taxable income by the U.S. Internal Revenue Service and the Vermont Department of Taxes. It shall be the sole responsibility of the recipient, individually, to seek professional advice and determine the tax consequences of receiving an incentive.

The total incentive pool is equally available to all eligible Vermont residents on a first-come, first served basis contingent upon funding availability.

**Required Supporting Documentation**

- Signed Consumer Attestation Form – The fillable PDF found on the Drive Electric VT website should be complete, signed and submitted via the online Application Portal with all other supporting documents.
- Full and complete copy of the purchase or lease agreement with all pages - The purchase or lease agreement must be signed and executed and all accompanying documentation scans/photos should be clearly legible. The Rebate Processing Specialist must be able to determine the customer received the full value of their incentive.
  - Leases must be for a term of 24 months or longer to be eligible for the incentive.
  - In the case of either a financed purchase or lease, the customer’s full incentive amount shall be applied to the down payment on the vehicle. If dealership documentation systems do not have the ability to itemize down payment contributions to clearly show the State of Vermont incentive amount, then dealers may use the down payment verification template included in Appendix C – Dealer Point-of-Sale Incentive Down Payment Verification Template of these guidelines to meet this documentation requirement.
  - Other incentives the customer may be eligible for, including separate DU incentives, the federal tax credit, and/or other available incentives may also be shown on the purchase/lease contract, provided the Program incentive is specifically itemized.
- Proof of Vermont residency - A copy of a current (not expired) Vermont driver’s license valid at the time of sale or lease is required. The name appearing on the driver’s license must match the name of the Purchaser/lessor on the invoice or bill of sale.
- Vehicle registration - An application for registration of new vehicle must be included with the Program application as proof of registration and must meet these requirements:
Submission Instructions

1. **For Dealership Point-of-Sale Claims**, dealerships must be a verified participating dealership prior to submitting applications for incentive reimbursement. To enroll as an eligible dealership, the primary dealership contact (typically the General Sales Manager, Finance Manager, or the Owner) should:
   a. Complete a Participating Dealer Agreement (Appendix B) and submit this signed agreement to VEIC.
   b. Complete a one-time enrollment through the online Application Portal at https://vermont.drive-electric.org/EV_DealershipEnrollment and wait for verification.
   c. Submit ACH information via their application dashboard to receive payment for approved incentive claims.
   d. Once verified as a participating dealership, sales representatives that have access to the Application Portal can submit applications by logging in at https://vermont.drive-electric.org. Applications should be submitted while consumers are in-store to confirm rebate eligibility. An application can be submitted through the application portal by selecting the “Start Application” button. Dealerships will be prompted to:
      i. Agree to Terms and Conditions
      ii. Submit Applicant Information
      iii. Submit Vehicle Information
      iv. Submit Supporting Documents

2. **For Consumer-Direct claims**, consumers should create an account through the online Application Portal at https://vermont.drive-electric.org. Once an account is created, and application can be submitted through the application portal by selecting the “Start Application” button. Consumers will be prompted to:
   a. Agree to Terms and Conditions
   b. Submit Applicant Information
   c. Submit Vehicle Information
   d. Submit Supporting Documents
Participating Dealer Agreement for Offering Point-of-Sale or -Lease Incentives

This agreement defines the terms under which the Center for Sustainable Energy, as program implementers for the State of Vermont’s New Plug-In Electric Vehicle (PEV) Incentive Program, will reimburse an automobile dealer signing this agreement (Dealer) for eligible customer purchases or leases of eligible all-electric and plug-in hybrid electric vehicles. This incentive program is known as the “State New PEV Incentive Program” or “Program.” The Program initially launched on December 16, 2019, and initial Program funding was exhausted on October 1, 2020, at which time the Program was suspended. The Program was relaunched with additional funds on November 5, 2020. Incentives are not available for PEVs purchased or leased prior to the launch date. Nor will incentives apply to PEV purchases or leases that took place after October 1, 2020 before 2020 funds become available on November 5, 2020, unless VTrans determines otherwise in writing. In the event the Program goes dormant between the exhaustion of 2020 funds and the availability of any future funding, VEIC will post on the DEV website that incentive funding has been suspended, and incentives will not be available after the Program has been suspended. VTrans or its designee will notify participating dealers of Program re-launch dates following program suspensions.

Roles and Agreement Principles

The Program will be offered by the Center for Sustainable Energy (CSE) with support from VEIC, the non-profit coordinating the Drive Electric Vermont program. VEIC is assisting the State of Vermont and CSE in providing training, reporting and promotion of the State Incentive Program.

To establish the cooperative partnership necessary to coordinate the roles of Program implementation, the Center for Sustainable Energy will:

- Provide incentive payments to Dealerships for eligible Electric Vehicle sales and leases as specified in the “Program Guidelines” and according to the following schedule:

<table>
<thead>
<tr>
<th>Tax Filing Status</th>
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<th>State Incentive Amount</th>
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</tr>
</tbody>
</table>
Married couple filing separately

<table>
<thead>
<tr>
<th>Income Range</th>
<th>VEIC Incentive</th>
<th>State Incentive</th>
</tr>
</thead>
<tbody>
<tr>
<td>$50,001 up to $100,000</td>
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<td>$2,500</td>
</tr>
</tbody>
</table>

| Individual filing as qualifying widower |
|----------------------------------------|----------------|-----------------|
| $75,000 or less                        | $3,000         | $4,000          |
| $75,001 up to $125,000                 | $1,500         | $2,500          |

- Provide payment on Dealer approved applications for eligible PEV sales and leases within 60 days of application approval.

**VEIC will:**
- Provide training opportunities for Dealers to learn about the Program.
- Promote the Program and participating dealerships on the Drive Electric Vermont website.
- Post a notice on its DEV webpage for the Program alerting applicants when remaining funding is limited.

**Dealer agrees to:**
- Ensure that all vehicle sales under the Program meet the following Eligibility Requirements:
  - The vehicle must be purchased on or after November 5, 2020
  - The application must be submitted at the time of sale/lease with the consumer, or within 15 days;
  - The purchaser must be an individual who resides in Vermont;
  - Limit of one incentive per individual per year, as determined by a minimum 12-month elapsed time from a prior State of Vermont EV incentive approval;
  - The vehicle must be registered in Vermont at the time of purchase or lease;
  - The vehicle must be on the list of eligible plug-in electric vehicles provided on the Drive Electric Vermont website;
  - The vehicle must be sold or leased as new and not previously registered; and
  - Leases are eligible for the State incentive program if they are for a term of 24 months or longer.
- Provide the appropriate incentive amount to the purchase/lease down payment at time of sale/lease, making customer aware the State Incentive Program was responsible. If dealership documentation systems do not have the ability to itemize down payment contributions to clearly show the State of Vermont incentive amount, then dealers may use the down payment verification template included in Appendix C – Dealer Point-of-Sale Incentive Down Payment Verification Template of these guidelines to meet this documentation requirement.
- Submit incentive applications to CSE within 15 days of sale through the online Application Portal.
- Provide the following required documentation to CSE within 10 days of application submission and upon sale or lease of an eligible plug-in electric vehicle:
  1. **A Consumer Incentive Form** with all required information filled in.
  2. **A copy of proof of purchase of the plug-in electric vehicle** – either the purchase or lease agreement. The purchase/lease contract or supporting documentation must clearly list the full State Incentive Program amount applied to the down payment of the vehicle.
  3. **A copy of a valid Vermont registration for the plug-in electric vehicle**, with the name(s) appearing on the registration matching the name(s) of the Purchaser(s) on the invoice or bill of sale.
  4. **A copy of a valid Vermont driver’s license for the Purchaser**.
- Be responsible for any tax issues associated with payment of incentives.
Dealership Information
Dealership Name (“Participating Dealership”): ________________________________

Dealership Web Site: _______________________________________________________

Primary Dealership Management Contact for this Program

Name: ______________________________________________________________________

Title: ______________________________________________________________________

Mailing Address: _____________________________________________________________

_____________________________________________________________

Phone Number: _______________________________________________________________

Email Address: _______________________________________________________________

Term of Agreement
This Agreement is effective from the date of signing until all of the available funding for the Program is exhausted.

The Dealership may cancel this Agreement for any reason at any time prior to the expiration date by issuing written notice to CSE no less than 15 days before the proposed termination date. Termination of the Agreement will not affect payment of incentives to DEALER for eligible Electric Vehicle sales and leases that predate such termination date.

DEALER

Printed Name of Authorized Dealer Signatory _________________________________

Title _________________________________________________________________

Signature _________________________________  Date: ______________________

State of Vermont Plug-in Electric Vehicle Incentive

Auto Dealer Point-of-Sale Down Payment Verification

Dealership

Customer Name

Customer Address

Vehicle Model

VIN

Sale Date

Incentive Amount Applied to Contract as Cash Down Payment:

$________________________

Customer Signature

____________________________