

**State of Vermont  
Replace Your Ride Program**

**PROGRAM GUIDELINES**

August 14, 2023



# Table of Contents

Table of Contents .....	2
<b>1 Program Overview.....</b>	<b>3</b>
<b>2 Applicant Eligibility.....</b>	<b>4</b>
2.1 PURCHASER/LESSEE REQUIREMENTS.....	4
2.1.1 Residency .....	4
2.1.2 Adjusted Gross Income .....	4
2.1.3 One Per Individual .....	6
2.1.4 Research Participation and Data Sharing .....	6
2.2 REPLACED (SCRAPPED) VEHICLE REQUIREMENTS .....	6
2.3 REPLACED VEHICLE OPTIONS.....	7
<b>3 Incentive Processing.....</b>	<b>8</b>
3.1 PROGRAM FUNDING AND SUNSET PROCESS .....	8
3.2 DEALER POINT-OF-SALE INCENTIVES.....	8
3.2.1 Dealership Incentive Submission .....	9
• Proof of Vermont Residency .....	9
• Replaced (Scrapped) Vehicle Title .....	9
• Bill of Sale .....	9
○ MileageSmart Used EV Incentive Program Commitment Letter/Email .....	10
3.2.2 Dealership Used PEV Email Submission Template.....	10
Body: 10	
3.3 CONSUMER-DIRECT INCENTIVES .....	10
3.3.1 Consumer Incentive Submission.....	11
• Proof of Vermont Residency .....	11
• Replaced (Scrapped) Vehicle Title .....	11
• Copy/image of the vehicle’s Inspection Sticker.....	12
• Bill of Sale/Receipt .....	12
3.3.2 Consumer RYR Preapproval Email Submission Template.....	12
Body: 12	
3.4 PARTICIPATION INFORMATION.....	12
3.4.1 Dealership Opt-in .....	12
3.4.2 Scrapping Partner Participation.....	13
3.4.3 Participating Businesses.....	13
3.4.4 State Purchase and Use Tax .....	13
3.4.5 Payment.....	13
<b>4 Audit Process.....</b>	<b>14</b>
<b>5 Customer Support.....</b>	<b>14</b>
<b>6 Program Outreach &amp; Reporting .....</b>	<b>15</b>

# 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.

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

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 Replace your Ride incentive program to accelerate vehicle retirements and help low- to moderate-income Vermonters enjoy the benefits of cleaner transportation options. Combined with other potential federal, State and electric utility incentives, eligible consumers have an opportunity to save thousands of dollars on clean transportation alternatives.

Additional Replace Your Ride options were introduced to Vermonters in November 2022, allowing consumers to enjoy alternative transportation options that reduce or avoid vehicle miles travelled in single occupancy automobiles. This option includes incentive funding that can be used for transit options in accordance with Act 55 of Vermont Legislature.<sup>1</sup> Section 19 of the FY 2024 Transportation Bill (Act 62) made further adjustments to the program and codified several requirements in statute under Title 19 Vermont Statutes Annotated Chapter 29.

The Center for Sustainable Energy (CSE) will provide RZR incentives to eligible consumers to replace an eligible Internal Combustion Engine ("ICE") vehicle. The total incentive pool is equally available to all Vermont residents on a statewide, first-come, first-served basis.

The incentive amount for this program has been designated at \$5,000 for low- to moderate-income applicants, and \$2,500 for higher income applicants, for each eligible scrapped Internal Combustion Engine ("ICE") vehicle with a model year at least 10 years old from the current year, when combined with the purchase or lease of a new or used eligible PEV, or an accompanying request for a prepaid clean mobility card to be used at eligible businesses that reduce or avoid vehicle miles traveled in single occupancy automobiles.

The three RZR incentive pathways are described below:

---

<sup>1</sup>Act 55 enacted on June 3, 2021, by the Vermont Legislature was the FY2022 State Transportation Bill. <https://legislature.vermont.gov/bill/status/2022/H.433>

- New PEV - Point-of-Sale Claim Only: When scrapping and replacing with a *new* vehicle, the Replace Your Ride incentive must be stacked with the State of Vermont New PEV Program incentive application.
- MileageSmart - Point-of-Sale Claim Only: When scrapping and replacing with a *used* vehicle, the Replace Your Ride incentive application will only be approved if accompanied by a MileageSmart Used EV Incentive Program Commitment Letter.
- Other Clean Mobility Actions - Preapproved Consumer Claim Only: When scrapping and replacing with a prepaid clean mobility card, the Replace Your Ride incentive is offered through a prepaid card to be used at eligible businesses that reduce or avoid vehicle miles traveled in single occupancy automobiles. These will be approved in accordance with Act 55 of Vermont Legislature.

## 2 Applicant Eligibility

---

The Program's eligibility requirements related to the purchaser/lessee are detailed below.

### 2.1 PURCHASER/LESSEE REQUIREMENTS

#### 2.1.1 Residency

Consumers replacing their Internal Combustion Engine (ICE) vehicle must be a Vermont resident at the time of replacement. **A legible copy of a current (not expired) Vermont driver's license is required as proof of residency.** The individual applying for the incentive must be listed on both the new purchase/lease agreement (if replacing with a new/used PEV) and the old, replaced vehicle registration.

#### 2.1.2 Adjusted Gross Income

Incentive eligibility will be limited to Vermonter's meeting the Adjusted Gross Income (AGI) requirements in Table 1 or Table 2 below.

- RYR Incentive amounts listed in Table 1 are for applicants that are:
  - purchasing or leasing a vehicle through the Vermont New PEV program, or
  - requesting a prepaid clean mobility card.

Incentive amounts are listed in Table 1 according to applicant Tax Filing Status and Adjusted Gross Income.

- RYR Incentive amounts listed in Table 2 are for applicants that are:
  - purchasing or leasing a vehicle through the MileageSmart Used PEV program.

Incentive amounts are listed in Table 2 according to Household Size and Adjusted Gross Income.

Table 1. RYR Incentive Amount by Tax Filing Status and Adjusted Gross Income if replacing with an eligible NEW PEV purchase or a prepaid clean mobility card.

<b>Tax Filing Status</b>	<b>Adjusted Gross Income (AGI) Limits</b>	<b>RYR Incentive Amount</b>
<b>Individual filing as single</b>	\$60,000 or less	\$5,000
	\$60,001 up to \$100,000	\$2,500
<b>Individual filing as head of household</b>	\$75,000 or less	\$5,000
	\$75,001 up to \$125,000	\$2,500
<b>Individual filing as qualifying widower/surviving spouse</b>	\$90,000 or less	\$5,000
	\$90,001 up to \$150,000	\$2,500
<b>Married couple filing jointly</b>	\$90,000 or less	\$5,000
	\$90,001 up to \$150,000	\$2,500
<b>Married couple filing separately</b>	\$60,000 or less	\$5,000
	\$60,001 up to \$100,000	\$2,500

\*The incentive amount is issued at the Point-of-Sale by a dealership if replacing an eligible ICE vehicle with a new, eligible PEV. For clean mobility RYR incentives, the incentive amount is issued directly to consumers as a prepaid card, to be used at eligible businesses, for replacing an eligible ICE vehicle.

Table 2. RYR Incentive Amount for Replaced Vehicle by Household Size and Adjusted Gross Income if replacing with an eligible USED PEV purchase through MileageSmart.

<b>Number of Persons in Household</b>	<b>Annual Income Limit</b>	<b>Monthly Income Limit</b>	<b>Incentive Amount for Replace Your Ride – USED PEV*</b>
<b>1</b>	\$51,968.00	\$4,330.67	\$5,000
<b>2</b>	\$59,392.00	\$4,949.33	\$5,000
<b>3</b>	\$66,816.00	\$5,568.00	\$5,000
<b>4</b>	\$74,240.00	\$6,186.67	\$5,000
<b>5</b>	\$80,179.20	\$6,681.60	\$5,000
<b>6</b>	\$86,118.40	\$7,176.53	\$5,000
<b>7</b>	\$92,057.60	\$7,671.47	\$5,000
<b>8</b>	\$97,996.80	\$8,166.40	\$5,000

\*The incentive amount is issued at the Point-of-Sale by a dealership if replacing an eligible ICE vehicle with a used, eligible PEV through MileageSmart.

AGI is determined by the applicant's **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 2022 and 2023 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**

Replace Your Ride incentives are limited to one per individual over the life of the program.

### **2.1.4 Research Participation and Data Sharing**

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, ICE vehicle scrappage, prepaid clean mobility card, and ownership or lessee experience.

Applicants who request a prepaid mobility card also agree to have specified information from their application form shared with our prepaid Visa card provider, Prepaid Expense Card, or

"PEX". Applicants agrees to all terms and conditions surrounding the use of the Visa prepaid gift card. Additional details, including the terms and conditions, for the PEX card that will be issued to approved applicants can be found on the PEX website at: <https://www.pexcard.com/legal/services-agreement/>.

## **2.2 REPLACED (SCRAPPED) VEHICLE REQUIREMENTS**

To be eligible for the Replace Your Ride incentive, the ICE vehicle being scrapped must meet the following requirements:

1. ICE vehicle being replaced is a passenger vehicle with a gross vehicle weight of 10,000 pounds or less. ATV's, farm equipment, etc. are not eligible to be replaced through this program.
2. ICE vehicle is at least 10 years old from current year (e.g., current year is 2023 = ICE vehicle model year is 2013 or older).
3. ICE vehicle being scrapped can drive thirty (30) feet in forward and in reverse under its own power without any assistance.
  - For Vermonters impacted by the flood this requirement is waived
4. ICE vehicle being scrapped can start readily through ordinary means without any assistance.

5. ICE vehicle being scrapped is currently registered to the applicant with the Vermont Department of Motor Vehicles. The name on the registration must match the applicant's name and have been registered in the applicant's name for at least one year prior to application date.
6. ICE vehicle being scrapped has been registered with the state of Vermont for at least two years prior to the date of application. A vehicle with a lienholder listed is not eligible to be scrapped.
7. ICE vehicle being scrapped is up to date on all vehicle registration fees for the State of Vermont.
8. ICE vehicle being scrapped has an approved inspection sticker dated within the past year.

When replacing an eligible ICE vehicle for a New or Used PEV, a participating dealership will provide the incentive at the point-of-sale. Dealerships will complete an inspection of the ICE vehicle being scrapped and take possession of the vehicle.

When replacing an eligible ICE vehicle for a prepaid clean mobility card, consumers must get preapproved and agree to work with an eligible scrapping partner, prior to scrapping their vehicle.

Participating dealerships and scrapping partners are agreeing scrapped vehicles receiving RYR incentives will have their engines disabled. Therefore, the program is limited to participating dealerships and scrapping partners that agree to scrap the vehicles in accordance with legislation.

## **2.3 REPLACED VEHICLE OPTIONS**

To be eligible for the Vermont Replace Your Ride Incentive, consumers have three options:

1. Consumers can stack the incentive at the point-of-sale with the State of Vermont Incentive Program for New Plug-in Electric Vehicles through the purchase/lease an eligible NEW vehicle.
2. Consumers can stack the incentive at the point-of-sale with the State of Vermont MileageSmart Program through the purchase/lease of an eligible used PEV.
3. Consumers can claim an incentive directly by applying for preapproval and scrapping their vehicle for a prepaid clean mobility card.

The replacement vehicle being purchased must meet the guidelines and eligibility requirements of the State of Vermont Incentive Program for New Plug-in Electric Vehicles or the State of Vermont MileageSmart Program for used hybrid or used electric vehicles. Details for the New Plug-in Electric Vehicle and MileageSmart programs may be reviewed on their corresponding websites and/or Program Guidelines. Unless requesting a prepaid clean mobility card, the old vehicle scrapping must happen in conjunction and simultaneously with the purchase of an eligible vehicle from either program, through a participating dealer, and all necessary documentation must be uploaded when the transaction is finalized.

## 3 Incentive Processing

---

State RYR 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. Consumers will apply directly if they wish to receive the prepaid clean mobility card and must be pre-approved prior to scrapping their vehicle.

Incentive funds are reserved at the time of application submission, and incentives are provided on a first come, first served basis.

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 Vermont Replace Your Ride website will report on the program funds when the funding pool is drawn down to \$200,000. Future Program funding beyond these funds is uncertain. The State will begin a sunset process once the funding pool is drawn down to \$200,000 to ensure Program resources are not overcommitted.

### 3.2 DEALER POINT-OF-SALE INCENTIVES

The Vermont Vehicle and Automotive Distributors Association (VADA) has assisted the State in outreach to dealerships to encourage their participation in the Program.

Consumers that wish to replace their ICE vehicles with a new or used PEV and receive the RYR Incentive, must do so through a participating dealership. The RYR incentives will be stacked with the New PEV or Used MileageSmart Program incentive at the Point-of-Sale. Participating dealerships will submit a completed application along with accompanying supporting documentation as defined below.

For a *new* replacement vehicle, applications must be submitted on the website through: <https://vermont.drive-electric.org>

For a *used* replacement vehicle, application information must be submitted via the administrator's email address: [VermontPEV@energycenter.org](mailto:VermontPEV@energycenter.org). See the email submission template for RYR + MileageSmart submissions in section 3.2.2 below.

Initial dealership inspection of the ICE vehicle being scrapped must take place at the time of the new/used PEV purchase. To be eligible, vehicle must meet all the vehicle requirements listed above in the "Replaced (Scrapped) Vehicle Requirements & Eligible Models" section. It is the sole responsibility of the dealer to ensure that the vehicle being scrapped is eligible before applying the incentive amount to the purchase of a new vehicle. Ineligible ICE vehicles scrapped by the dealership will not be reimbursed.

It is the responsibility of the participating dealership to attest that the scrapping of the replaced vehicle in accordance with the RYR Guidelines. Supporting documentation includes the



Replaced Vehicle Attestation Form that must be completed and signed by the dealership.

### **3.2.1 Dealership Incentive Submission**

Dealerships are responsible for ensuring that the consumer and the vehicle(s) meet eligibility requirements as outlined in the program guidelines above. Required submission documentation includes:

- **A Consumer Attestation Form** with all required information filled in and attestation boxes selected. The applicable form for New or Used Vehicles can be found on the Drive Electric Website.
  - “Dealership Point-of-Sale & Replace Your Ride Incentive” claim option must be selected
    - New Vehicle purchases must use the “New Vehicle Customer Attestation” form
    - Used Vehicle purchases must use the “Used Vehicle Customer Attestation through MileageSmart Program” form
- **Replaced Vehicle Attestation Form**
  - Form must be signed by participating dealership attesting that vehicle will be scrapped according to program guidelines
- **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.
- **Replaced (Scrapped) Vehicle registration** – A copy of the scrapped vehicle’s valid registration 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 contract.
  - The vehicle must be currently registered in Vermont
  - Vehicle has been registered with the Vermont DMV for at least two years prior to application date
  - Vehicle has been registered to the applicant for at least one year prior to date of application
  - The form is complete and signed, if required.
- **Replaced (Scrapped) Vehicle Title**
  - Title must include all pages, front and back, to confirm vehicle eligibility with signatures to confirm proper transfer of ownership to the dealership
  - If the scrapped vehicle is 15 year or older from the current year, the vehicle title may not be available. If the vehicle does not have a title and is older than 15 years, alternative proof of ownership, like a bill of sale, will be required.
- **Bill of Sale**
  - Bill of Sale must show proper transfer of vehicle to the dealership

- For New vehicle sales only, also submit:
  - **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.
  - **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.
- For Used vehicle sales only, also submit:
  - **MileageSmart Used EV Incentive Program Commitment Letter/Email**

All Replace Your Ride documentation must be submitted within 15 days of the date listed on the replacement vehicle's purchase/lease agreement.

### 3.2.2 Dealership Used PEV Email Submission Template

Below is an email template dealers should use when submitting incentive applications for customers taking advantage of the RYR program in conjunction with a used PEV purchase supported by MileageSmart.

Email addressed to: [vermontPEV@energycenter.org](mailto:vermontPEV@energycenter.org)

**Subject:** RYR + Used Vehicle Incentive Submission [CUSTOMER LAST NAME]

**Body:**

Dealership Name:

Used Vehicle Date of Purchase:

**Attachments:** Attach clean, complete copies, scans, or photos of the following:

1. Consumer Attestation Form
2. Replaced Vehicle Attestation Form
3. Copy of a current (not expired) Vermont Driver's License
4. Replaced (Scrapped) Vehicle Registration
5. Replaced (Scrapped) Vehicle Title
6. Bill of Sale (showing transfer of the replaced vehicle)
7. MileageSmart Used EV Program Commitment Letter/Email

### 3.3 CONSUMER-DIRECT INCENTIVES

Consumers that wish to replace their ICE vehicles with a prepaid clean mobility card must be preapproved to ensure the scrapped vehicle meets all the vehicle requirements listed above in the “Replaced (Scrapped) Vehicle Requirements & Eligible Models” section above. Additionally, the ICE vehicle must be scrapped through a participating scrapping partner listed on the Drive Electric Vermont RYR website.

To submit for Preapproval for the prepaid clean mobility card, consumers must send the Supporting Documentation outlined below to the administrator’s email address: [VermontPEV@energycenter.org](mailto:VermontPEV@energycenter.org). The subject line of the email should note: “RYR Prepaid Mobility Incentive Submission [CONSUMER LAST NAME].” See the email submission template for RYR Prepaid Clean Mobility Card incentive submissions in section 3.3.2 below.

Upon pre-approval, applicants must submit their Bill of Sale/Receipt from the eligible scrapping partner within 30 days to avoid application cancellation.

### **3.3.1 Consumer Incentive Submission**

To be preapproved, required submission documentation includes:

- **A Consumer Attestation Form** with all required information filled in and attestation boxes selected. The applicable form can be found on the Drive Electric Website.
  - For the Prepaid Clean Mobility Card Incentive, consumers must complete the Consumer Attestation Form for “Prepaid Card Consumer Claims”
- **Proof of Vermont Residency**
  - A copy of a current (not expired) Vermont driver’s license. The name appearing on the driver’s license must match the name of the registered owner of the vehicle being scrapped.
- **Replaced (Scrapped) Vehicle registration** – A copy of the scrapped vehicle’s valid registration 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 contract.
  - The vehicle must be currently registered in Vermont
  - Vehicle has been registered with the Vermont DMV for at least two years prior to application date
  - Vehicle has been registered to the applicant for at least one year prior to date of application
  - The form is complete and signed, if required.
- **Replaced (Scrapped) Vehicle Title**
  - Title must include all pages, front and back
  - If the scrapped vehicle is 15 year or older from the current year, the vehicle title may not be available. If the vehicle does not have a title and is older than 15

years, alternative proof of ownership, like a bill of sale, will be required.

- **Copy/image of the vehicle's Inspection Sticker**

- Inspection stickers must be approved and dated within the past year
- For Inspection Stickers showing the VIN, this must match the VIN listed on other submitted documentation.

Once preapproved, the vehicle must be scrapped with the eligible scrapping partner listed on the Consumer Attestation Form. After the vehicle has been scrapped with the selected scrapping partner, consumers must submit the final post-sale documentation to be eligible for the prepaid clean mobility card. All remaining Replace Your Ride documentation must be submitted within 30 days of the application pre-approval date.

- **Bill of Sale/Receipt**

- Bill of Sale or receipt must show proper transfer of vehicle to the eligible scrapping partner.
- Scrapping partner must be listed on the receipt and must match the scrapping partner identified on the Consumer Attestation Form submitted upon preapproval.
- Must be submitted within 30 days after pre-approval.

### **3.3.2 Consumer RYR Preapproval Email Submission Template**

Below is an email template consumers should use when submitting incentive applications for their prepaid clean mobility card.

Email addressed to: [vermontPEV@energycenter.org](mailto:vermontPEV@energycenter.org)

**Subject:** RYR Prepaid Clean Mobility Card Incentive Submission [CONSUMER LAST NAME]

**Body:**

Consumer Name:

Selected Scrapping Partner:

**Attachments:** Attach clean, complete copies, scans, or photos of the following:

1. Consumer Attestation Form
2. Copy of a current (not expired) Vermont Driver's License
3. Replaced (Scrapped) Vehicle Registration
4. Replaced (Scrapped) Vehicle Title
5. Copy/image of the Vehicle's Inspection Sticker

## **3.4 PARTICIPATION INFORMATION**

### **3.4.1 Dealership 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 prior to being eligible to participate.

Dealers already enrolled in the Vermont Incentive Program for New Plug-in Electric Vehicles will not need to re-enroll in the Vermont RYR program, although they may need to complete a participating dealer agreement addendum depending on the date of their sign-up. New PEV enrollment also includes RYR eligibility and enrollment.

### **3.4.2 Scrapping Partner Participation**

Scrap yards or scrapping partners interesting in participating in the program will be required to complete a Participating Scrapping Partner Agreement prior to being added to the eligible scrapping partner list.

Scrapping partners must agree to disable the engine according to legislation.

### **3.4.3 Participating Businesses**

The Center for Sustainable Energy (CSE) is partnering with a Visa card provider, Prepaid Expense Card, or “PEX” to issue prepaid mobility cards to approved consumers participating in Replace Your Ride.

Businesses that wish to be “whitelisted” on this card may work with CSE to submit a Business Participation Agreement and understand that elements of their agreement will be shared with PEX, including Retailer Name, Merchant ID, and Terminal ID. Businesses agree to be bound to the relevant terms and conditions set forth by PEX for the use of the Visa prepaid gift card, as provided on PEX’s website at: <https://www.pexcard.com/legal/services-agreement/>. Once approved, consumers will be able to make purchases at the retailer business using the prepaid mobility card.

### **3.4.4 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.

The Program does not issue 1099s for RYR incentives. It is the sole responsibility of the participating dealers and incentive recipients to seek professional advice and determine any tax consequences of participation in the Program.

### **3.4.5 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 incentive payments by ACH. If the dealership incentive claim application meets all requirements, the VTrans program administrator will pay the incentive 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.

Individuals who participate with the intention of getting a prepaid clean mobility card will receive a loaded Visa PEX card that is only eligible to be used at participating clean mobility partners.

For an active list of these partners please visit the Drive Electric Vermont RYR website. If the application meets all requirements, the program administrator will authorize the distribution of the incentive amount to the applicant by a preloaded VISA card through the mail. Payments are initiated within 60 calendar days of claim approval and are generally received by the applicant within 30 calendar days.

## **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 Replace Your Ride incentive program. 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 form they sign. The audit may extend to other program requirements, including that the purchase occurred prior to the expiration of any pre-approval deadline and 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 Replace Your Ride Program, 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](mailto:vermontPEV@energycenter.org).

Dealerships needing additional support or are unable to provide PDF form submissions 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 Replace Your Ride website will promote the Program, including links to CSE's application portal for the program and other relevant resources.

CSE 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 & RYR incentives currently available to Vermonters, including the federal tax credit, the State New PEV Incentive Program, and electric distribution utility incentives.