



Income 67

Innovative Motor Vehicle and Alternative Fuel Vehicle Credits

PLEASE NOTE

Please be advised that many of the credit amounts listed in prior versions of this FYI and FYI Income 9 had not been calculated correctly and many of the vehicles listed did not qualify for any credit. This FYI has been revised to reflect correct information for qualifying vehicles identified by the department. However, if you relied on the prior version of FYI Income 9 for the purchase of an alternative fueled vehicle in tax year 2010 or 2011 or the prior version of FYI Income 67 for the purchase of an alternative fueled vehicle in tax year 2012, the department will allow the credit indicated in the prior versions of these FYIs.

The information contained in this FYI applies only to tax years beginning on or after January 1, 2010. Please refer to FYI Income 9 for information regarding alternative fuel income tax credits available for tax years beginning prior to January 1, 2010.

INNOVATIVE MOTOR VEHICLE AND ALTERNATIVE FUEL VEHICLE CREDITS

For tax years beginning on or after January 1, 2010, but prior to January 1, 2022, an income tax credit is available to persons who purchase, lease, or convert qualifying motor vehicles. For tax years 2010 and 2011 the credit was known as the refundable alternative fuel vehicle credit and identified as such on the applicable income tax forms. The name of the credit was officially changed to the innovative motor vehicle credit for tax years 2012 and later. [§§ 39-22-516, 39-22-516.5, and 39-22-516.7, C.R.S.]

The credit is available for either the purchase or lease of a qualifying motor vehicle or for the qualified conversion or modification of a motor vehicle. In order to qualify, a motor vehicle must be titled and registered in Colorado. Additionally, the motor vehicle must be subject to licensing or required to be licensed for operation upon the highways of the state. The motor vehicle must also be one of the following types, each of which are subject to additional requirements, discussed in the following sections of this FYI:

- An electric (EV), plug-in hybrid electric (PHEV), or gasoline-electric hybrid motor vehicle (see pages 3 through 7);
- A compressed natural gas (CNG) or liquefied petroleum gas (LPG) motor vehicle (see pages 8 through 12);
- A diesel-electric hybrid motor vehicle (see page 13);
- A motor vehicle modified to include idling reduction technologies (see page 13).
- For tax years commencing on or after January 1, 2010, but prior to January 1, 2014, a motor vehicle that uses an alternative fuel other than electricity, CNG, or LPG (see page 14);
- For tax years commencing on or after January 1, 2010, but prior to January 1, 2012, a medium duty hybrid truck (see page 14).

Vehicle eligibility and credit calculation depend upon the tax year in which the qualifying motor vehicle was purchased, leased, or converted. One set of rules for determining vehicle eligibility and for calculating the credit apply to tax years 2010 through 2013, while a different set of rules apply to tax years 2013 through 2021. Please note, persons who purchase, lease, or convert electric, plug-in hybrid electric, or CNG motor vehicles during tax year 2013 may elect to claim a credit using either set of rules, but only one credit is allowed per vehicle. Rules regarding vehicle eligibility and credit calculation are discussed at greater length in the sections pertaining to the various types of qualifying motor vehicles.

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LIMITATIONS AND EXCEPTIONS

Multiple limitations apply to credit claims. Generally, the maximum allowable credit is \$6,000 and only one credit may be claimed for each vehicle. However, certain exceptions apply to both of these limitations. Additionally, any other grants, credits, or rebates, including federal grants, credits, and rebates, for which the vehicle qualifies must be deducted in calculating the Colorado credit. See below for additional information regarding these limitations and exceptions.

Maximum allowable credit amount

In general, the amount of credit that can be claimed for a vehicle purchase, lease, or conversion is limited to \$6,000. However, there are two exceptions to the \$6,000 limit:

- For tax years commencing on or after January 1, 2010, but prior to January 1, 2012, the \$6,000 limit does not apply to qualifying compressed natural gas (CNG) motor vehicles and qualifying compressed natural gas (CNG) conversions.
- For tax years commencing on or after January 1, 2012, but prior to January 1, 2014, the maximum allowable credit for a plug-in hybrid electric conversion is \$7,500.

Limitation on multiple credits for a single vehicle

In general, no more than one tax credit shall be allowed for any single motor vehicle. Consequently, the purchase of a used vehicle generally will not qualify for a credit because the prior vehicle owner likely claimed a credit for the original purchase of the vehicle. However, the purchase of a used vehicle may qualify if the vehicle was not previously registered in Colorado. Any credit claimed for the purchase of a used vehicle must be accompanied by a "Vehicle History Report" showing the vehicle was not previously registered in Colorado. A "Vehicle History Report" can be obtained from any of a number of third party companies that offer such reports. An internet search for the phrase "Vehicle History Report" should provide a listing of companies that can produce this report.

Under certain conditions an additional credit may be allowed for the conversion of a hybrid electric vehicle to a plug-in hybrid electric vehicle. The conditions determining eligibility differ depending upon the tax year in which the vehicle is converted. See pages 5 and 7 for information about the circumstances under which an additional credit can be claimed for a plug-in hybrid electric vehicle conversion.

Credit calculation when the qualifying vehicle is eligible for other grants, credits, or rebates

If a qualifying motor vehicle purchase, lease, or conversion also qualifies for any other grants, credits, or rebates, the other grants, credits, or rebates must be deducted in calculating the Colorado credit, regardless of whether any such grants, credits, or rebates are actually claimed or received. Other grants, credits, or rebates that must be deducted include any available federal grants, credits, or rebates. Information regarding alternative fuel vehicle grants, credits, and rebates can be found online at <http://www.fueleconomy.gov/feg/taxcenter.shtml> and www.afdc.energy.gov/laws/fed_summary

REFUNDABILITY

For tax years beginning on or after January 1, 2010, but prior to January 1, 2022, the innovative motor vehicle credit and the alternative fuel vehicle credit are refundable. The credit is first applied against the income tax liability of the person who purchases, leases, or converts the qualifying motor vehicle. If the credit exceeds the tax due, the excess credit will be refunded.

Electric (EV), Plug-in Hybrid Electric (PHEV), and Hybrid Motor Vehicles Tax Years 2010-2013

MOTOR VEHICLES PURCHASED, LEASED, OR CONVERTED IN TAX YEARS 2010 THROUGH 2013

For tax years commencing on or after January 1, 2010, but before January 1, 2014, electric (“EV”), plug-in hybrid electric (“PHEV”), and gasoline-electric hybrid motor vehicles must meet multiple criteria in order to qualify for the credit. The vehicle must be titled and registered in Colorado. It must be subject to licensing or required to be licensed for operation upon highways of this state. The vehicle must also meet **one** of the following classifications:

Vehicle Classifications

- **Bin 1:** The vehicle must receive a “bin 1” emissions rating* from the Environmental Protection Agency (EPA). This generally includes electric motor vehicles subject to Tier II emissions standards, but does not include low speed electric vehicles (LSEV), neighborhood electric vehicles (NEV), utility terrain vehicles (UTV), side by sides, motorcycles or scooters.
- **Bin 2 or bin 3 and 40+ mpg:** The vehicle must receive a “bin 2” or “bin 3” emissions rating* from the EPA and have a fuel economy of 40 miles per gallon or greater. Plug-in hybrid electric and gasoline-electric hybrid motor vehicles may meet these criteria.
- **Bin 2 or bin 3 and 30-40 mpg:** The vehicle must receive a “bin 2” or “bin 3” emissions rating* from the EPA and have a fuel economy of 30 miles per gallon or more, but less than 40 miles per gallon (vehicles in this classification are only eligible for credits if purchased, leased or converted during tax year 2010). Plug-in hybrid electric and gasoline-electric hybrid motor vehicles may meet these criteria.

**** PLEASE NOTE ****

Credits for electric and plug-in hybrid electric motor vehicles purchased, leased, or converted during tax year 2013 may be determined in one of two different ways. Please see pages 6 and 7 for information about the alternate method for determining the credit.

* See www.fueleconomy.gov for emissions ratings and fuel economy information for particular makes and models. See also pages 15 and 16 for makes and models that the department has already evaluated for credit eligibility.

New vehicle purchases

Credits for the purchase of new electric, plug-in hybrid electric, or gasoline-electric hybrid electric motor vehicles that meet the above criteria are calculated based upon incremental price difference. The incremental price difference for a new electric, plug-in hybrid electric, or gasoline-electric hybrid motor vehicle is the difference in cost between the electric, plug-in hybrid electric, or gasoline-electric hybrid motor vehicle and the same or most similar vehicle that uses a traditional fuel, such as gasoline. The incremental price difference must be further reduced by any grants, credits, or rebates available to the purchaser, including federal income tax credits, and then multiplied by the applicable percentage. The percentage is determined by the vehicle’s classification, shown above. **The incremental price differences and applicable percentages for many common vehicles are listed on pages 15 and 16.** Worksheet 1.1 is used to calculate the credit available for the purchase of qualifying new electric, plug-in hybrid electric, or gasoline-electric hybrid motor vehicles.

Worksheet 1.1 – EV, PHEV, and hybrid vehicle credit calculation

1. New incremental price difference (see pages 15-16) _____
2. Any available federal credit (see www.irs.gov) _____
3. Any other available grants, credits, or rebates _____
4. Line 2 plus line 3 _____
5. Line 1 minus line 4 _____
6. For leased and used vehicles, enter factor from Worksheet 1.2 or 1.3. For new vehicles, enter 1.00. _____
7. Line 5 multiplied by line 6 _____
8. Credit percentage (see Table 1.1 below) _____
9. Line 7 multiplied by line 8 _____
10. Maximum credit \$6,000
11. Allowable credit, smaller of lines 9 and 10 _____

Table 1.1 – Tax Credit Percentages

| Tax Year | 2010 | 2011 | 2012 | 2013 |
|--------------------------------------|------|------|------|------|
| Bin 1* | 85% | 85% | 75% | 75% |
| Bin 2 or bin 3 and 40+ mpg* | 75% | 75% | 10% | 10% |
| Bin 2 or bin 3 and 30-40 mpg* | 50% | 0% | 0% | 0% |

*See “Vehicle Classifications” above.

Electric (EV), Plug-in Hybrid Electric (PHEV), and Hybrid Motor Vehicles Tax Years 2010-2013

Used vehicle purchases

No credit is allowed for the purchase of a used electric, plug-in hybrid electric, or gasoline-electric hybrid motor vehicle if a credit was previously claimed for the vehicle by any prior owner. Any credit claimed for the purchase of a used vehicle must be accompanied by a "Vehicle History Report" showing the vehicle was not previously registered in Colorado. A "Vehicle History Report" can be obtained from any of a number of third party companies that offer such reports. An internet search for the phrase "Vehicle History Report" should provide a listing of companies that can produce this report. A used electric, plug-in hybrid electric, or gasoline-electric hybrid motor vehicle must meet all of the criteria listed at the top of page 3 in order to qualify for the credit.

Credits for the purchase of eligible used vehicles must be calculated using Worksheet 1.1 on page 3. However, for the purchase of a used vehicle a **used vehicle factor** must be calculated using Worksheet 1.2. The used vehicle factor is then entered on line 6 of Worksheet 1.1. The used car factor is calculated by dividing the used vehicle price by the original manufacturer's suggested retail price ("MSRP").

Worksheet 1.2 – Used EV, PHEV, and hybrid cost difference

1. Used car price _____
2. Original MSRP _____
3. Line 1 divided by line 2 (**used vehicle factor**) _____

Enter the **used vehicle factor** from line 3 of this worksheet on line 6 of Worksheet 1.1.

Leased vehicles

Generally, a lessee can claim a credit for the lease of a qualifying electric, plug-in hybrid electric, or gasoline-electric hybrid motor vehicle. However, for tax years commencing prior to January 1, 2012, the lessor had the option to claim a credit for the leased vehicle. If the lessor claimed the credit, the lessee may not claim an additional credit for the vehicle.

Credits for the lease of qualifying electric, plug-in hybrid electric, or gasoline-electric hybrid electric motor vehicles must be calculated using Worksheet 1.1 on page 3. However, for leases a **leased vehicle factor** must be calculated using Worksheet 1.3. The leased vehicle factor is then entered on line 6 of Worksheet 1.1. The leased vehicle factor is calculated by dividing the residual value of the leased vehicle by the agreed upon value of the vehicle in the lease less any grants, credits, or rebates reflected in the lease.

Worksheet 1.3 – Leased EV, PHEV, and hybrid cost difference

1. Agreed upon value of the vehicle* _____
2. Any grant, credit, or rebate reflected in the lease _____
3. Line 1 minus line 2 _____
4. Residual value of leased vehicle* _____
5. Leased value, line 3 minus line 4 _____
6. Line 5 divided by line 3 (**leased vehicle factor**) _____

Enter the **leased car factor** from line 6 of this worksheet on line 6 of Worksheet 1.1.

*Both the agreed upon value of the vehicle and the residual value of the vehicle should be stated within the lease contract.

Electric (EV) and Plug-In Hybrid Electric (PHEV) Motor Vehicle Conversions Tax Years 2010-2013

Electric motor vehicle conversions

A credit may be claimed for the replacement of a motor vehicle's gasoline or diesel power source with an electric power source. "Power source" includes the engine or motor and associated wiring, fuel lines, engine coolant system, fuel storage containers, and miscellaneous components. The converted vehicle must meet the qualifying criteria listed at the top of page 3 and receive a "bin 1" emissions rating from the EPA in order to qualify.

The credit is based upon the incremental price difference between the electric power source and a new gasoline or diesel power source. The incremental price difference is the difference between the actual cost incurred in replacing the vehicle's power source with an electric power source and the cost that would have been incurred if the vehicle's existing power source had been replaced with a new gasoline or diesel power source. In order to calculate the credit, the incremental price difference must be reduced by any grants, credits, or rebates available to the purchaser, including federal income tax credits, and then multiplied by the applicable percentage. Worksheet 1.4 must be used to calculate the credit for the qualified replacement of a gasoline or diesel power source with an electric power source.

Plug-in hybrid electric motor vehicle conversions

A credit may be claimed for the conversion of a hybrid motor vehicle to a plug-in hybrid electric motor vehicle. The converted vehicle must meet the criteria listed on page 3 in order to qualify for the credit.

In order to calculate the credit, the conversion cost must be reduced by any grants, credits, or rebates available to the purchaser, including federal income tax credits, and then multiplied by the applicable percentage. **For tax years 2010 and 2011, the maximum allowable credit is \$6,000. For tax years 2012 and 2013, the credit is limited to \$7,500.** Worksheet 1.5 is used to calculate the credit for a qualifying plug-in hybrid electric motor vehicle conversion.

In general, no more than one credit is allowed per vehicle. However, persons who claimed a tax credit in a prior year for the purchase of a model year 2004 or newer hybrid vehicle are eligible to claim an additional credit for the conversion of the hybrid vehicle to a plug-in hybrid electric vehicle.

Worksheet 1.4 – EV power source replacement credit calculation

1. Cost of electric power source _____
2. Cost of new gasoline or diesel power source _____
3. Line 1 minus line 2 _____
4. Any available federal credit (see www.irs.gov) _____
5. Any other available grants, credits, or rebates _____
6. Line 4 plus line 5 _____
7. Line 3 minus line 6 _____
8. Credit percentage (see Table 1.4 below) _____
9. Line 7 multiplied by line 8 _____
10. Maximum allowable credit _____ **\$6,000**
11. Allowable credit, smaller of lines 9 and 10 _____

Table 1.4 - Tax Credit Percentages

| Tax Year | 2010 | 2011 | 2012 | 2013 |
|------------|------|------|------|------|
| Percentage | 85% | 85% | 75% | 75% |

Worksheet 1.5 – PHEV conversion credit calculation

1. Conversion cost _____
2. Any available federal credit (see www.irs.gov) _____
3. Any other grants, credits, or rebates available _____
4. Line 2 plus line 3 _____
5. Line 1 minus line 4 _____
6. Credit percentage (see Table 1.5 below) _____
7. Line 5 multiplied by line 6 _____
8. Maximum allowable credit (see limitations at left) _____
9. Allowable credit, smaller of lines 7 and 8 _____

Table 1.5 – Tax Credit Percentages

| Tax Year | 2010 | 2011 | 2012 | 2013 |
|-------------------------------|------|------|------|------|
| Bin 1* | 85% | 85% | 75% | 75% |
| Bin 2 or bin 3 and 40+ mpg* | 75% | 75% | 10% | 10% |
| Bin 2 or bin 3 and 30-40 mpg* | 50% | 0% | 0% | 0% |

*See "Vehicle Classifications" on page 3.

Electric (EV) and Plug-In Hybrid Electric (PHEV) Motor Vehicles Tax Years 2013-2021

MOTOR VEHICLES PURCHASED, LEASED, OF CONVERTED IN TAX YEARS 2013 THROUGH 2021

For tax years commencing on or after January 1, 2013, but before January 1, 2022, electric and plug-in hybrid electric motor vehicles must meet **all** of the following criteria in order to qualify for the credit:

- The vehicle must be titled and registered in Colorado.
- The vehicle must be subject to licensing or required to be licensed for operation upon Colorado highways.
- The vehicle must have four wheels.
- The vehicle's gross vehicle weight rating cannot exceed 8,500 pounds.
- The vehicle must have a maximum speed of at least 55 miles per hour.
- The vehicle must be propelled to a significant extent by an electric motor that draws electricity from a battery that has a capacity of at least four kilowatt hours and is capable of being recharged from an external source of electricity.

Gasoline-electric hybrid motor vehicles that do not have the capacity to plug into and draw electricity from an external source of electricity do not qualify under these criteria.

***** PLEASE NOTE *****

Credits for electric and plug-in hybrid electric motor vehicles purchased, leased, or converted during tax year 2013 may be determined in one of two different ways. Please see pages 3 through 5 for information about the alternate method for determining the credit.

New vehicle purchases

Credits for the purchase of new electric or plug-in hybrid electric motor vehicles that meet the above criteria are calculated based upon the vehicle's manufacturer's suggested retail price ("MSRP") and battery capacity. **The MSRP for the base model of the vehicle, without any optional features or equipment, is used to calculate the credit.** The MSRP and battery capacity for an electric or plug-in hybrid electric vehicle can usually be found on the manufacturer's website. The MSRP must be reduced by any grants, credits, or rebates available to the purchaser, including federal income tax credits, and then multiplied by the vehicle's battery capacity in kilowatt hours (kWh) and divided by 100. For tax years 2019 through 2021, the credit must also be multiplied by a factor shown in Table 1.6. Worksheet 1.6 is used to calculate the credit available for the purchase of qualifying new electric and plug-in hybrid electric motor vehicles.

Worksheet 1.6 - EV and PHEV credit calculation

| | |
|---|---------|
| 1. MSRP (see below for used and leased vehicles) | _____ |
| 2. Any available federal credit (see www.irs.gov) | _____ |
| 3. Any other grants, credits, or rebates available | _____ |
| 4. Line 2 plus line 3 | _____ |
| 5. Line 1 minus line 4 | _____ |
| 6. Vehicle battery capacity in kWh | _____ |
| 7. Line 6 divided by 100 | _____ |
| 8. Line 5 multiplied by line 7 | _____ |
| 9. Factor from Table 1.6 below | _____ |
| 10. Line 8 multiplied by line 9 | _____ |
| 11. Maximum credit | \$6,000 |
| 12. Allowable credit, smaller of lines 10 and 11 | _____ |

Table 1.6 – Factor to enter on line 9 above

| If purchased in tax year... | 2013-2018 | 2019 | 2020 | 2021 |
|--|-----------|------|------|------|
| ... enter this factor on line 9 above. | 1.00 | 0.75 | 0.50 | 0.25 |

Used vehicle purchases

No credit is allowed for the purchase of a used electric or plug-in hybrid electric motor vehicle if a credit was previously claimed for the vehicle by any prior owner. Any credit claimed for the purchase of a used vehicle must be accompanied by a "Vehicle History Report" showing the vehicle was not previously registered in Colorado. A "Vehicle History Report" can be obtained from any of a number of third party companies that offer such reports. An internet search for the phrase "Vehicle History Report" should provide a listing of companies that can produce this report. A used electric or plug-in hybrid electric motor vehicle must meet all of the criteria listed at the top of this page in order to qualify for the credit. Credits for the purchase of used vehicles must be calculated using Worksheet 1.6, above. However, in completing Worksheet 1.6, the cost of the used vehicle must be entered instead of MSRP.

Electric (EV) and Plug-In Hybrid Electric (PHEV) Motor Vehicles and Conversions Tax Years 2013-2021

Leased vehicles

Credits for the lease of qualifying electric or plug-in hybrid electric motor vehicles must be calculated using Worksheet 1.6 on page 6. However, the credit for leased vehicles is not based upon the MSRP, but instead is based upon the leased value of the vehicle. The leased value is calculated by subtracting various charges included in the lease from the total of payments in the lease contract. Worksheet 1.7 must be completed to calculate the leased value of a qualifying electric or plug-in hybrid electric motor vehicle.

| Worksheet 1.7 – EV and PHEV lease value | |
|---|-------|
| 1. Total of payments | _____ |
| 2. Any security deposit included in the total of payments | _____ |
| 3. The rent charge included in the total of payments | _____ |
| 4. Any sales tax included in the total of payments | _____ |
| 5. Any titling and registration fees included in the total of payments | _____ |
| 6. Any disposition fee included in the total of payments | _____ |
| 7. Any administrative fee included in the total of payments | _____ |
| 8. Any other fee included in the total of payments that does not reflect the value of the motor vehicle | _____ |
| 9. Total of lines 2 through 9 | _____ |
| 10. Leased value, line 1 minus line 9 | _____ |

Electric and plug-in hybrid electric motor vehicle conversions

A credit may be claimed for the conversion of a motor vehicle to a qualifying electric or plug-in hybrid electric motor vehicle. The converted vehicle must meet all of the criteria listed on the top of page 6 for qualifying electric and plug-in hybrid electric motor vehicles to qualify for the credit.

In order to calculate the credit, the conversion cost must be reduced by any grants, credits, or rebates available to the purchaser, such as federal income tax credits, and then multiplied by an applicable percentage. **The maximum allowable credit for tax year 2013 is \$7,500. For tax years 2014 and later, the maximum allowable credit is \$6,000.** Worksheet 1.8 is used to calculate the credit for a qualifying electric or plug-in hybrid electric motor vehicle conversion.

| Worksheet 1.8 – EV and PHEV conversion credit calculation | |
|---|-------|
| 1. Conversion cost | _____ |
| 2. Any available federal credit (see www.irs.gov) | _____ |
| 3. Any other grants, credits, or rebates available | _____ |
| 4. Line 2 plus line 3 | _____ |
| 5. Line 1 minus line 4 | _____ |
| 6. Credit percentage (see Table 1.8 below) | _____ |
| 7. Line 5 multiplied by line 6 | _____ |
| 8. Maximum allowable credit (see limitations at left) | _____ |
| 9. Allowable credit, smaller of lines 7 and 8 | _____ |

| Tax Year | Credit Percentage |
|------------------|-------------------|
| 2013-2018 | 75% |
| 2019 | 56.25% |
| 2020 | 37.5% |
| 2021 | 18.75% |

In general, no more than one credit is allowed per vehicle. However, a credit is allowed for the conversion of a model year 2004 or newer hybrid motor vehicle to a plug-in hybrid electric vehicle regardless of whether a credit was or is claimed for the purchase of that hybrid motor vehicle.

Compressed Natural Gas (CNG) Motor Vehicles Tax Years 2010-2013

MOTOR VEHICLES PURCHASED, LEASED, OR CONVERTED IN TAX YEARS 2010 THROUGH 2013

For tax years commencing on or after January 1, 2010, but before January 1, 2014, motor vehicles which run on or are converted to run on compressed natural gas (CNG) may qualify for the credit. In order to qualify, the CNG motor vehicle must be titled and registered in Colorado and must be required to be licensed or subject to licensing for operation upon Colorado highways. The vehicle must also meet **one** of the following classifications:

- **Light duty passenger motor vehicles:** Private passenger vehicles, including vans, capable of seating 12 passengers or fewer. Motor homes and motor vehicles designed to travel on three or fewer wheels in contact with the ground do not qualify as light duty passenger motor vehicles.
- **Light duty trucks:** Trucks with gross vehicle weight ratings (GVWR) of less than 14,000 pounds.
- **Medium duty trucks:** Trucks with gross vehicle weight ratings (GVWR) of greater than 14,000 pounds, but less than 26,000 pounds.

******* PLEASE NOTE *******

Credits for CNG motor vehicles purchased, leased, or converted during tax year 2013 may be determined in one of two different ways. Please see pages 11 and 12 for information about the alternate method for determining the credit.

No credit is available for the purchase, lease, or conversion of any heavy duty trucks that run on CNG.

New vehicle purchases

Credits for the purchase of new CNG motor vehicles are calculated based upon incremental price difference. The incremental price difference for a new CNG motor vehicle is the difference in cost between the CNG motor vehicle and the same or most similar vehicle that uses a traditional fuel, such as gasoline. The incremental price difference must be reduced by any grants, credits, or rebates available to the purchaser, such as federal income tax credits, and then multiplied by an applicable percentage. The incremental price difference and applicable percentages for many common vehicles are listed on page 17. Worksheet 2.1 is used to calculate the credit available for the purchase of a qualifying new CNG motor vehicle.

Worksheet 2.1 – CNG vehicle credit calculation

1. New incremental price difference (see page 17) _____
2. Any available federal credit (see www.irs.gov) _____
3. Any other available grants, credits, or rebates _____
4. Line 2 plus line 3 _____
5. Line 1 minus line 4 _____
6. For leased and used vehicles, enter factor from Worksheet 2.2 or 2.3. For new vehicles, enter 1.00. _____
7. Line 5 multiplied by line 6 _____
8. Credit percentage (see Table 2.1 below) _____
9. Line 7 multiplied by line 8 _____
10. Maximum credit (see Table 2.1 below) _____
11. Allowable credit, smaller of lines 9 and 10 _____

Table 2.1 – Tax Credit Percentages and Maximums

| Tax Year | Credit Percentage | Maximum Credit |
|------------------|-------------------|----------------|
| 2010-2011 | 75% | No Maximum |
| 2012 | 55% | \$6,000 |
| 2013 | 35% | \$6,000 |

Compressed Natural Gas (CNG) Motor Vehicles Tax Years 2010-2013

Used vehicle purchases

No credit is allowed for the purchase of a used CNG motor vehicle if a credit was previously claimed for the vehicle by any prior owner. Any credit claimed for the purchase of a used vehicle must be accompanied by a "Vehicle History Report" showing the vehicle was not previously registered in Colorado. A "Vehicle History Report" can be obtained from any of a number of third party companies that offer such reports. An internet search for the phrase "Vehicle History Report" should provide a listing of companies that can produce this report. A used CNG vehicle must meet all of the criteria listed at the top of page 8 in order to qualify for the credit.

Credits for the purchase of qualifying used CNG vehicles must be calculated using Worksheet 2.1 on page 8. However, for the purchase of a used vehicle, a **used vehicle factor** must be calculated using Worksheet 2.2. The used vehicle factor is then entered on line 6 of Worksheet 2.1. The used car factor is calculated by dividing the used vehicle price by the original manufacturer's suggested retail price ("MSRP").

Worksheet 2.2 – Used CNG vehicle cost difference

1. Used car price _____
2. Original MSRP _____
3. Line 1 divided by line 2 (**used vehicle factor**) _____

Enter the **used vehicle factor** from line 3 of this worksheet on line 6 of Worksheet 2.1.

Leased vehicles

Generally, a lessee can claim a credit for the lease of a new CNG motor vehicle. However, for tax years commencing prior to January 1, 2012, the lessor had the option to claim a credit for the leased vehicle. If the lessor claimed the credit, the lessee may not claim an additional credit for the vehicle.

Credits for the lease of qualifying CNG motor vehicles must be calculated using Worksheet 2.1 on page 8. However, for leases a **leased vehicle factor** must be calculated using Worksheet 2.3. The leased vehicle factor is then entered on line 6 of Worksheet 2.1. The leased vehicle factor is calculated by dividing the residual value of the leased vehicle by the agreed upon value of the vehicle in the lease less any grants, credits, or rebates reflected in the lease.

Worksheet 2.3 – Leased CNG vehicle cost difference

1. Agreed upon value of the vehicle* _____
2. Any grant, credit, or rebate reflected in the lease _____
3. Line 1 minus line 2 _____
4. Residual value of leased vehicle* _____
5. Leased value, line 3 minus line 4 _____
6. Line 5 divided by line 3 (**leased vehicle factor**) _____

Enter the **leased car factor** from line 6 of this worksheet on line 6 of Worksheet 2.1.

*Both the "agreed upon value of the vehicle" and the "residual value" of the vehicle should be stated within the lease contract.

Compressed Natural Gas (CNG) Conversions Tax Years 2010-2013

CNG motor vehicle conversions

A credit may be claimed for the conversion of a motor vehicle to a qualifying CNG motor vehicle. The converted CNG vehicle must meet all of the qualifying criteria listed at the top of page 8. In order to calculate the credit, the conversion cost must be reduced by any grants, credits, or rebates available to the purchaser, such as federal income tax credits, and then multiplied by the applicable percentage. Worksheet 2.4 must be used to calculate the credit for a qualifying CNG motor vehicle conversion.

Worksheet 2.4 – CNG vehicle conversion credit calculation

1. Conversion cost _____
2. Any available federal credit (see www.irs.gov) _____
3. Any other grants, credits, or rebates available _____
4. Line 2 plus line 3 _____
5. Line 1 minus line 4 _____
6. Credit percentage (see Table 2.4 below) _____
7. Line 5 multiplied by line 6 _____
8. Maximum allowable credit (see Table 2.4 below) _____
9. Allowable credit, smaller of lines 7 and 8 _____

Table 2.4 – Tax Credit Percentages and Maximums

| Tax Year | Credit Percentage | Maximum Credit |
|------------------|-------------------|----------------|
| 2010-2011 | 75% | No Maximum |
| 2012 | 55% | \$6,000 |
| 2013 | 35% | \$6,000 |

Compressed Natural Gas (CNG) and Liquefied Petroleum Gas (LPG) Motor Vehicles For Tax Years 2013-2021

MOTOR VEHICLES PURCHASED, LEASED, OR CONVERTED IN TAX YEARS 2010 THROUGH 2013

For tax years commencing on or after January 1, 2013, but before January 1, 2022, motor vehicles which run on or are converted to run on compressed natural gas (CNG) or liquefied petroleum gas (LPG) may qualify for the credit. This includes bi-fuel motor vehicles equipped with multi-fuel engines capable of running on either CNG or a traditional fuel (such as gasoline) or either LPG or traditional fuel. In order to qualify, the CNG motor vehicle must have four wheels, must be titled and registered in Colorado, and must be subject to licensing or required to be licensed for operation upon Colorado highways. The vehicle must also meet **one** of the following classifications:

******* PLEASE NOTE *******

Credits for CNG motor vehicles purchased, leased, or converted during tax year 2013 may be determined in one of two different ways. Please see pages 8 through 10 for information about the alternate method for determining the credit.

- **Light duty passenger motor vehicles:** Private passenger vehicles, including vans, capable of seating 12 passengers or fewer. Motor homes and motor vehicles designed to travel on three or fewer wheels in contact with the ground do not qualify as light duty passenger motor vehicles.
- **Light duty trucks:** Trucks with gross vehicle weight ratings (GVWR) of less than 14,000 pounds.
- **Medium duty trucks:** Trucks with gross vehicle weight ratings (GVWR) of greater than 14,000 pounds, but less than 26,000 pounds.

No credit is available for the purchase, lease, or conversion of any heavy duty trucks that run on CNG or LPG.

New vehicle purchases

Credits for the purchase of new CNG or LPG motor vehicles that meet the above criteria are calculated based upon the vehicle's manufacturer's suggested retail price ("MSRP"), which can usually be found on the manufacturer's website. **The MSRP for the base model of the vehicle, without any optional features or equipment except for the CNG or LPG capability, is used to calculate the credit.** The MSRP must be reduced by any grants, credits, or rebates available to the purchaser, including federal income tax credits, and then multiplied by the percentage listed below. Worksheet 2.5 must be used to calculate the credit available for the purchase of qualifying CNG or LPG motor vehicles.

Worksheet 2.5 – CNG and LPG vehicle credit calculation

| | |
|---|---------------------|
| 1. MSRP (see below for used and leased vehicles) | _____ |
| 2. Any available federal credit (see www.irs.gov) | _____ |
| 3. Any other grants, credits, or rebates available | _____ |
| 4. Line 2 plus line 3 | _____ |
| 5. Line 1 minus line 4 | _____ |
| 6. Credit percentage (see Table 2.5 below) | _____ |
| 7. Line 5 multiplied by line 6 | _____ |
| 8. Maximum credit | _____ \$6,000 _____ |
| 9. Allowable credit, smaller of lines 7 and 8 | _____ |

Table 2.5 – Tax Credit Percentages

| Tax Year | 2013 | 2014-2016 | 2017-2018 | 2019 | 2020 | 2021 |
|------------|-------|-----------|-----------|--------|-------|--------|
| Percentage | 10.5% | 12.25% | 10.5% | 7.875% | 5.25% | 2.625% |

Used vehicle purchases

No credit is allowed for the purchase of a used CNG or LPG motor vehicle if a credit was previously claimed for the vehicle by any prior owner. Any credit claimed for the purchase of a used vehicle must be accompanied by a "Vehicle History Report" showing the vehicle was not previously registered in Colorado. A "Vehicle History Report" can be obtained from any of a number of third party companies that offer such reports. An internet search for the phrase "Vehicle History Report" should provide a listing of companies that can produce this report. A used CNG or LPG vehicle must meet all of the criteria listed at the top of this page in order to qualify for the credit.

Credits for the purchased of used vehicles must be calculated using Worksheet 2.5. However, in calculating the credit, the cost of the used vehicle must be used in place of MSRP.

CNG and LPG Motor Vehicles and Conversions

Tax Years 2013-2021

Leased vehicles

Credits for the lease of qualifying CNG or LPG motor vehicles must be calculated using Worksheet 2.5. However, the credit for leased vehicles is not based upon the MSRP, but instead is based upon the leased value of the vehicle. The leased value is calculated by subtracting various charges included in the lease from the total of payments in the lease contract. Worksheet 2.6 must be used to calculate the lease value for a leased CNG or LPG vehicle.

Worksheet 2.6 – Calculation for leased value of CNG or LPG vehicle

- | | |
|---|-------|
| 1. Total of payments | _____ |
| 2. Any security deposit included in the total of payments | _____ |
| 3. The rent charge included in the total of payments | _____ |
| 4. Any sales tax included in the total of payments | _____ |
| 5. Any titling and registration fees included in the total of payments | _____ |
| 6. Any disposition fee included in the total of payments | _____ |
| 7. Any administrative fee included in the total of payments | _____ |
| 8. Any other fee included in the total of payments that does not reflect the value of the motor vehicle | _____ |
| 9. Total of lines 2 through 9 | _____ |
| 10. Leased value, line 1 minus line 9 | _____ |

CNG and LPG motor vehicle conversions

A credit may be claimed for the conversion of a motor vehicle to a qualifying CNG or LPG motor vehicle. The converted vehicle must meet all of the criteria listed at the top of page 11 in order to qualify for the credit. In order to calculate the credit, the conversion cost must be reduced by any grants, credits, or rebates available to the purchaser, including federal income tax credits, and then multiplied by the applicable percentage. Worksheet 2.7 must be used to calculate the credit for a qualifying CNG or LPG conversion.

Worksheet 2.7 – CNG and LPG conversion credit calculation

- | | |
|---|---------|
| 1. Conversion cost | _____ |
| 2. Any available federal credit (see www.irs.gov) | _____ |
| 3. Any other grants, credits, or rebates available | _____ |
| 4. Line 2 plus line 3 | _____ |
| 5. Line 1 minus line 4 | _____ |
| 6. Credit percentage (see Table 2.7 below) | _____ |
| 7. Line 5 multiplied by line 6 | _____ |
| 8. Maximum allowable credit | \$6,000 |
| 9. Allowable credit, smaller of lines 7 and 8 | _____ |

Table 2.7 – Tax Credit Percentages

| Tax Year | 2013 | 2014-2018 | 2019 | 2020 | 2021 |
|------------|------|-----------|--------|-------|-------|
| Percentage | 35% | 25% | 18.75% | 12.5% | 6.25% |

Other Qualifying Motor Vehicles, Conversions, and Modifications Tax Years 2010-2021

DIESEL-ELECTRIC HYBRID MOTOR VEHICLES

For tax years commencing on or after January 1, 2010, but before January 1, 2022, diesel-electric hybrid motor vehicles must meet multiple criteria in order to qualify for the credit. The vehicles must be titled and registered in Colorado and must be subject to licensing or required to be licensed for operation upon highways of this state. For tax years commencing on or after January 1, 2014, the vehicle must also have four wheels. Diesel-electric hybrid vehicles and conversions are subject to the following additional criteria.

Diesel-electric hybrid motor vehicles

In order to qualify for the credit a new, used, or leased diesel-electric hybrid motor vehicle must be a light duty passenger motor vehicle (see below) and have a fuel economy of at least 70 mile per gallon. These requirements do not apply to diesel-electric hybrid conversions, which are subject to the criteria discussed below.

Diesel-electric hybrid motor vehicle conversions

In order to qualify for the credit a diesel-electric hybrid motor vehicle conversion must increase the vehicle's fuel economy by 40% or more. The vehicle must also meet **one** of the following classifications:

- **Light duty passenger motor vehicles:** Private passenger vehicles, including vans, capable of seating 12 passengers or fewer. Motor homes and motor vehicles designed to travel on three or fewer wheels in contact with the ground do not qualify as light duty passenger motor vehicles.
- **Light duty trucks:** Trucks with gross vehicle weight ratings (GVWR) of less than 14,000 pounds.
- **Medium duty trucks:** Trucks with gross vehicle weight ratings (GVWR) of greater than 14,000 pounds, but less than 26,000 pounds.

Credit calculation

See §§39-22-516, 39-22-516.5, and 39-22-516.7, C.R.S. and Table 3.1 below for information about the calculation of credits for diesel-electric hybrid motor vehicles and diesel-electric hybrid motor vehicle conversions.

| Table 3.1 – Tax Credit Percentages | | | | | | | |
|--|------------------|-------------|-------------|------------------|-------------|-------------|-------------|
| Tax years | 2010-2011 | 2012 | 2013 | 2014-2018 | 2019 | 2020 | 2021 |
| Qualifying diesel-electric hybrid motor vehicles | 65% | 45% | 25% | 15% | 11.25% | 7.5% | 3.75% |
| Qualifying diesel-electric hybrid motor vehicle conversions | 75% | 55% | 35% | 25% | 18.75% | 12.5% | 6.25% |

IDLING REDUCTION TECHNOLOGIES

For tax years commencing on or after January 1, 2010, but before January 1, 2022, a credit is available for the modification of a qualifying motor vehicle to include idling reduction technologies. "Idling reduction technologies" means idling reduction devices or advanced insulation, as those terms are defined in section 4053 of the internal revenue code, as amended, exempt from federal excise tax pursuant to said section 4053. Please see 26 U.S.C. §4053, IRS Publication 510, and www.epa.gov/smartway/technology/idling.htm for additional information. In order to qualify for the credit, idling reduction technologies must be installed on a motor vehicle that is titled and registered in Colorado and is subject to licensing or required to be licensed for operation upon highways of this state.

Credit calculation

See §§39-22-516, 39-22-516.5, and 39-22-516.7, C.R.S. and Table 3.2 below for information about calculating credits for the installation of idling reduction technologies.

| Table 3.2 – Tax Credit Percentages | | | | |
|---|------------------|-------------|-------------|-------------|
| Tax years | 2010-2018 | 2019 | 2020 | 2021 |
| Idling reduction technologies | 25% | 18.75% | 12.5% | 6.25% |

Other Qualifying Motor Vehicles, Conversions, and Modifications Tax Years 2010-2013

OTHER ALTERNATIVE FUEL MOTOR VEHICLES

For tax years commencing on or after January 1, 2010, but before January 1, 2014, motor vehicles that use or are converted to use an alternative fuel may qualify for an income tax credit. The term "alternative fuel" means ethanol or any mixture of ethanol containing eighty-five percent or more ethanol by volume with gasoline or other fuels. It may also include clean diesel and reformulated gasoline so long as the Air Quality Control Commission determines that these fuels make reductions in carbon monoxide emissions and brown cloud pollutants comparable to the previously mentioned alternative fuels. "Alternative fuel" does not include any fuel that contains or is treated with methyl tertiary butyl ether.

The vehicle must be titled and registered in Colorado and must be subject to licensing or required to be licensed for operation upon Colorado highways. The vehicle must also meet **one** of the following classifications:

- **Bin 1:** The vehicle must receive a "bin 1" emissions rating* from the Environmental Protection Agency (EPA).
- **Bin 2 or bin 3 and 40+ mpg:** The vehicle must receive a "bin 2" or "bin 3" emissions rating* from the EPA and have a fuel economy of 40 miles per gallon or greater.
- **Bin 2 or bin 3 and 30-40 mpg:** The vehicle must receive a "bin 2" or "bin 3" emissions rating* from the EPA and have a fuel economy of 30 miles per gallon or more, but less than 40 miles per gallon (vehicles meeting these criteria are only eligible for credits if purchased, leased, or converted during tax year 2010).

* See www.fueleconomy.gov for the emissions ratings and fuel economy information for particular makes and models. See also pages 15 and 16 for the incremental price differences and credit percentages for makes and models that the department has already evaluated.

Credit calculation

See §§39-22-516 and 39-22-516.5, C.R.S. and Table 3.3 below for information about calculating credits for alternative fuel motor vehicles and motor vehicle conversions.

| Table 3.3 – Tax Credit Percentages | | | | |
|---|-------------|-------------|-------------|-------------|
| Tax Year | 2010 | 2011 | 2012 | 2013 |
| Bin 1 | 85% | 85% | 75% | 75% |
| Bin 2 or bin 3 and 40+ mpg | 75% | 75% | 10% | 10% |
| Bin 2 or bin 3 and 30-40 mpg | 50% | 0% | 0% | 0% |

MEDIUM DUTY HYBRID TRUCKS

For tax years commencing on or after January 1, 2010, but before January 1, 2012, new medium duty trucks that are either diesel-electric hybrids or gasoline-electric hybrids may qualify for the credit. The medium duty hybrid truck must meet the following criteria in order to qualify for the credit.

- The truck must be titled and registered in Colorado.
- The truck must be subject to licensing or required to be licensed for operation upon highways of this state.
- The truck must have a gross vehicle weight rating (GVWR) of greater than 14,000 pounds, but less than 26,000 pounds.
- The truck must have a fuel economy that is 30% greater than a comparable truck powered solely by a diesel or gasoline internal combustion engine.

Credit calculation

See §§ 39-22-516, C.R.S. for information about calculating credits for new medium duty hybrid trucks.

COMMON HYBRID VEHICLES

The following table contains vehicle information that can be used to complete **Part 2 of Form DR 0617**, a form required to claim the credit for tax year 2013. This table does not necessary include all qualifying vehicles, especially electric vehicles or plug-in hybrid electric vehicles that are listed in a table on page 17 of this FYI. In completing Part 2 of Form DR 0617, incremental price difference must be entered on line 7 and credit percentage must be entered on line 17. The vehicles in this list **do not qualify for any credit for tax years 2014 and later**. The information in this table is offered to assist taxpayers. However, taxpayers assume responsibility for the figures reported on their income tax returns. Taxpayers should consult their tax advisers if they are uncertain about the credit.

| Make | Model Year/Make/Model | For use in completing Part 2 of Form DR 0617 | | | | |
|--------------------|-------------------------------------|--|--------------------|---------------|---------------|---------------|
| | | Incremental Price Difference | Credit Percentages | | | |
| | | | Tax Year 2010 | Tax Year 2011 | Tax Year 2012 | Tax Year 2013 |
| Ford | 2007 Ford Escape Hybrid FWD | \$ 2,285 | 50% | 0% | 0% | 0% |
| | 2008 Ford Escape Hybrid FWD | \$ 4,020 | 50% | 0% | 0% | 0% |
| | 2009 Ford Escape Hybrid FWD | \$ 4,595 | 50% | 0% | 0% | 0% |
| | 2010 Ford Escape Hybrid FWD | \$ 5,695 | 50% | 0% | 0% | 0% |
| | 2010 Ford Fusion Hybrid | \$ 3,760 | 50% | 0% | 0% | 0% |
| | 2011 Ford Escape Hybrid FWD | \$ 5,975 | 50% | 0% | 0% | 0% |
| | 2011 Ford Fusion Hybrid | \$ 3,760 | 50% | 0% | 0% | 0% |
| | 2013 Ford C-Max Hybrid FWD | \$ 2,755 | N/A | N/A | 10% | 10% |
| | 2013 Ford Fusion Hybrid FWD | \$ 3,370 | N/A | N/A | 10% | 10% |
| | 2014 Ford Fusion Hybrid FWD | \$ 3,345 | N/A | N/A | N/A | 10% |
| Honda | 2005 Honda Civic Hybrid (Automatic) | \$ 3,075 | 75% | 75% | 10% | 10% |
| | 2006 Honda Civic Hybrid | \$ 3,375 | 75% | 75% | 10% | 10% |
| | 2007 Honda Civic Hybrid | \$ 3,675 | 75% | 75% | 10% | 10% |
| | 2008 Honda Civic Hybrid | \$ 3,465 | 75% | 75% | 10% | 10% |
| | 2009 Honda Civic Hybrid | \$ 3,520 | 75% | 75% | 10% | 10% |
| | 2010 Honda Civic Hybrid | \$ 3,710 | 75% | 75% | 10% | 10% |
| | 2010 Honda Insight | \$ 3,480 | 75% | 75% | 10% | 10% |
| | 2011 Honda Civic Hybrid | \$ 3,895 | 75% | 75% | 10% | 10% |
| | 2011 Honda CR-Z | \$ 2,930 | 75% | 75% | 10% | 10% |
| | 2011 Honda Insight | \$ 3,170 | 75% | 75% | 10% | 10% |
| | 2012 Honda Civic Hybrid | \$ 3,505 | N/A | 75% | 10% | 10% |
| | 2012 Honda Insight | \$ 2,375 | N/A | 75% | 10% | 10% |
| | 2013 Honda Civic Hybrid | \$ 3,545 | N/A | N/A | 10% | 10% |
| | 2013 Honda Insight | \$ 2,375 | N/A | N/A | 10% | 10% |
| | 2014 Honda Accord Hybrid | \$ 3,475 | N/A | N/A | N/A | 10% |
| | 2014 Honda Insight | \$ 2,500 | N/A | N/A | N/A | 10% |
| Kia | 2011 Kia Optima Hybrid | \$ 3,300 | 50% | 0% | 0% | 0% |
| Lexus | 2010 Lexus HS 250h | \$ 1,630 | 50% | 0% | 0% | 0% |
| | 2010 Lexus RX 450h FWD | \$ 4,160 | 50% | 0% | 0% | 0% |
| | 2011 Lexus CT 200h | \$ 3,864 | 75% | 75% | 10% | 10% |
| | 2011 Lexus HS 250h | \$ 3,170 | 50% | 0% | 0% | 0% |
| | 2011 Lexus RX 450h FWD | \$ 5,010 | 50% | 0% | 0% | 0% |
| | 2012 Lexus CT 200h | \$ 4,699 | N/A | 75% | 10% | 10% |
| | 2013 Lexus CT 200h | \$ 1,250 | N/A | N/A | 10% | 10% |
| | 2013 Lexus ES 300h | \$ 2,431 | N/A | N/A | 10% | 10% |
| | 2014 Lexus CT 200h | \$ 2,150 | N/A | N/A | N/A | 10% |
| 2014 Lexus ES 300h | \$ 2,561 | N/A | N/A | N/A | 10% | |

Table continued on following page...

COMMON HYBRID VEHICLES

The following table contains vehicle information that can be used to complete **Part 2 of Form DR 0617**, a form required to claim the credit for tax year 2013. This table does not necessary include all qualifying vehicles, especially electric vehicles or plug-in hybrid electric vehicles that are listed in a table on page 17 of this FYI. In completing Part 2 of Form DR 0617, incremental price difference must be entered on line 7 and credit percentage must be entered on line 17. The vehicles in this list **do not qualify for any credit for tax years 2014 and later**. The information in this table is offered to assist taxpayers. However, taxpayers assume responsibility for the figures reported on their income tax returns. Taxpayers should consult their tax advisers if they are uncertain about the credit.

| Make | Model Year/Make/Model | For use in completing Part 2 of Form DR 0617 | | | | |
|---------------------|---------------------------------|--|---------------|---------------|---------------|---------------|
| | | Incremental Price Difference | Tax Year 2010 | Tax Year 2011 | Tax Year 2012 | Tax Year 2013 |
| Lincoln | 2011 Lincoln MKZ Hybrid FWD | \$ (5) | 50% | 0% | 0% | 0% |
| | 2013 Lincoln MKZ Hybrid FWD | \$ - | N/A | N/A | 10% | 10% |
| | 2014 Lincoln MKZ Hybrid FWD | \$ - | N/A | N/A | N/A | 10% |
| Mercury | 2008 Mercury Mariner Hybrid FWD | \$ 4,105 | 50% | 0% | 0% | 0% |
| | 2009 Mercury Mariner Hybrid FWD | \$ 4,650 | 50% | 0% | 0% | 0% |
| | 2010 Mercury Mariner Hybrid FWD | \$ 5,705 | 50% | 0% | 0% | 0% |
| | 2010 Mercury Milan Hybrid | \$ 4,070 | 50% | 0% | 0% | 0% |
| | 2011 Mercury Mariner Hybrid FWD | \$ 5,705 | 50% | 0% | 0% | 0% |
| | 2011 Mercury Milan Hybrid | \$ 4,070 | 50% | 0% | 0% | 0% |
| Toyota | 2004 Toyota Prius | \$ 3,150 | 75% | 75% | 10% | 10% |
| | 2005 Toyota Prius | \$ 4,040 | 75% | 75% | 10% | 10% |
| | 2006 Toyota Prius | \$ 3,865 | 75% | 75% | 10% | 10% |
| | 2007 Toyota Camry Hybrid | \$ 2,665 | 50% | 0% | 0% | 0% |
| | 2007 Toyota Prius | \$ 3,545 | 75% | 75% | 10% | 10% |
| | 2008 Toyota Camry Hybrid | \$ 2,322 | 50% | 0% | 0% | 0% |
| | 2008 Toyota Prius (Base Grades) | \$ 2,370 | 75% | 75% | 10% | 10% |
| | 2008 Toyota Prius (Touring) | \$ 3,654 | 75% | 75% | 10% | 10% |
| | 2009 Toyota Camry Hybrid | \$ 2,404 | 50% | 0% | 0% | 0% |
| | 2009 Toyota Prius | \$ 3,659 | 75% | 75% | 10% | 10% |
| | 2010 Toyota Camry Hybrid | \$ 2,084 | 50% | 0% | 0% | 0% |
| | 2010 Toyota Prius | \$ 2,880 | 75% | 75% | 10% | 10% |
| | 2011 Toyota Camry Hybrid | \$ 2,184 | 50% | 0% | 0% | 0% |
| | 2011 Toyota Prius | \$ 4,510 | 75% | 75% | 10% | 10% |
| | 2012 Toyota Camry Hybrid | \$ 2,675 | N/A | 75% | 10% | 10% |
| | 2012 Toyota Prius | \$ 4,636 | N/A | 75% | 10% | 10% |
| | 2012 Toyota Prius C | \$ 2,521 | N/A | 75% | 10% | 10% |
| | 2012 Toyota Prius V | \$ 3,461 | N/A | 75% | 10% | 10% |
| | 2013 Toyota Avalon Hybrid | \$ 2,360 | N/A | N/A | 10% | 10% |
| | 2013 Toyota Camry Hybrid | \$ 3,230 | N/A | N/A | 10% | 10% |
| | 2013 Toyota Prius | \$ 2,745 | N/A | N/A | 10% | 10% |
| | 2013 Toyota Prius C | \$ 2,321 | N/A | N/A | 10% | 10% |
| | 2013 Toyota Prius V | \$ 2,995 | N/A | N/A | 10% | 10% |
| | 2014 Toyota Avalon Hybrid | \$ 2,360 | N/A | N/A | N/A | 10% |
| | 2014 Toyota Camry Hybrid | \$ 3,460 | N/A | N/A | N/A | 10% |
| 2014 Toyota Prius | \$ 2,745 | N/A | N/A | N/A | 10% | |
| 2014 Toyota Prius C | \$ 3,211 | N/A | N/A | N/A | 10% | |
| 2014 Toyota Prius V | \$ 3,095 | N/A | N/A | N/A | 10% | |
| Volkswagen | 2013 Volkswagen Jetta Hybrid | \$ 3,565 | N/A | N/A | 10% | 10% |
| | 2014 Volkswagen Jetta Hybrid | \$ 4,095 | N/A | N/A | N/A | 10% |

COMMON ELECTRIC AND PLUG-IN HYBRID ELECTRIC VEHICLES

The following table contains vehicle information that can be used to complete **Part 3 of Form DR 0617**, a form required to claim the credit for tax year 2013. This table does not necessary include all qualifying vehicles, especially non-plug-in hybrid electric vehicles that are listed in tables on pages 15 and 16 of this FYI. In completing Part 3 of Form DR 0617, MSRP must be entered on line 19 and battery capacity must be entered on line 24. For some electric and plug-in hybrid electric vehicles, the credit may be calculated using either Part 2 or Part 3 of Form DR 0617. The information in this table is offered to assist taxpayers. However, taxpayers assume responsibility for the figures reported on their income tax returns. Taxpayers should consult their tax advisers if they are uncertain about the credit.

| Make | Model Year/Make/Model | For use in completing Part 3 of Form DR 0617 | |
|---------------------|--|--|------------------------|
| | | MSRP | Battery capacity (kWh) |
| Cadillac | 2014 Cadillac ELR | \$ 75,000 | 16.5 |
| Chevrolet | 2011 Chevrolet Volt | \$ 40,280 | 16.0 |
| | 2012 Chevrolet Volt | \$ 39,145 | 16.0 |
| | 2013 Chevrolet Volt | \$ 39,145 | 16.5 |
| | 2014 Chevrolet Spark EV | \$ 26,685 | 21.0 |
| | 2014 Chevrolet Volt | \$ 34,185 | 16.5 |
| Fiat | 2013 Fiat 500e | \$ 31,800 | 24.0 |
| | 2014 Fiat 500e | \$ 31,800 | 24.0 |
| Fisker | 2012 Fisker Karma | \$ 102,000 | 20.1 |
| Ford | 2013 Ford C-Max Energi Plug-in Hybrid | \$ 32,950 | 7.6 |
| | 2013 Ford Focus Electric | \$ 39,200 | 23.0 |
| | 2013 Ford Fusion Energi Plug-in Hybrid | \$ 38,700 | 7.6 |
| | 2014 Ford C-Max Energi Plug-in Hybrid | \$ 32,920 | 7.6 |
| | 2014 Ford Focus Electric | \$ 35,200 | 23.0 |
| | 2014 Ford Fusion Energi Plug-in Hybrid | \$ 38,700 | 7.6 |
| Honda | 2014 Honda Accord Plug-in Hybrid | \$ 39,780 | 6.7 |
| Mitsubishi | 2012 Mitsubishi i-MiEV | \$ 29,125 | 16.0 |
| | 2014 Mitsubishi i-MiEV | \$ 22,995 | 16.0 |
| Nissan | 2011 Nissan Leaf | \$ 32,780 | 24.0 |
| | 2012 Nissan Leaf | \$ 35,200 | 24.0 |
| | 2013 Nissan Leaf | \$ 28,800 | 24.0 |
| | 2014 Nissan Leaf | \$ 28,980 | 24.0 |
| Porsche | 2014 Porsche Panamera S E-Hybrid | \$ 99,000 | 9.4 |
| smart fortwo | 2013 smart fortwo electric drive coupe | \$ 25,000 | 17.6 |
| Tesla | 2008 Tesla Roadster | \$ 109,000 | 53.0 |
| | 2010 Tesla Roadster | \$ 109,000 | 53.0 |
| | 2011 Tesla Roadster | \$ 109,000 | 53.0 |
| | 2012 Tesla Model S (40 kW-hr) | \$ 57,400 | 40.0 |
| | 2012 Tesla Model S (60 kW-hr) | \$ 67,400 | 60.0 |
| | 2012 Tesla Model S (85 kW-hr) | \$ 77,400 | 85.0 |
| | 2013 Tesla Model S (60 kW-hr) | \$ 69,900 | 60.0 |
| | 2013 Tesla Model S (85 kW-hr) | \$ 79,900 | 85.0 |
| Toyota | 2012 Toyota Prius Plug-in Hybrid | \$ 32,000 | 4.4 |
| | 2013 Toyota Prius Plug-in Hybrid | \$ 32,000 | 4.4 |
| | 2013 Toyota RAV4 EV | \$ 49,800 | 41.8 |
| | 2014 Toyota Prius Plug-in Hybrid | \$ 29,990 | 4.4 |
| | 2014 Toyota RAV4 EV | \$ 49,800 | 41.8 |

FYIs provide general information concerning a variety of Colorado tax topics in simple and straightforward language. Although the FYIs represent a good faith effort to provide accurate and complete tax information, the information is not binding on the Colorado Department of Revenue, nor does it replace, alter, or supersede Colorado law and regulations. The Executive Director, who by statute is the only person having the authority to bind the Department, has not formally reviewed and/or approved these FYIs.