



BOB CASEY

FIGHTING for PENNSYLVANIA FAMILIES

The Electric Motorcycle Parity Act of 2023

U.S. Senators Bob Casey (D-PA) and Tammy Baldwin (D-WI)

In 2022, Democrats in Congress passed the most significant legislation to combat the climate crisis in U.S. history. The [Inflation Reduction Act](#) (IRA) is full of provisions to harness the power of American manufacturing to lead the way into our clean energy future. The law created two long-term tax credits: the \$7,500 30D credit for clean vehicles and the 45W credit for clean commercial vehicles. Many currently gasoline-powered vehicles were left out of these credits, however.

Helping consumers afford zero-emissions vehicles is crucial to reduce U.S. carbon emissions, improve air quality, and ensure U.S. manufacturers can compete in a world market that increasingly demands cleaner vehicles. The IRA tax credits are a strong start. Now it's time to extend them to motorcycles, too.

According to the Insurance Institute for Highway Safety, there were more than 8.5 million motorcycles registered in the United States in 2021, but fewer than one percent of these are electric. Because motorcycles are so much smaller and lighter than other vehicles, manufacturing motorcycle batteries requires many fewer critical minerals per vehicle electrified, allowing more of our vehicle fleet to be electrified faster.

Prior to 2022, motorcycle drivers could qualify for a tax credit for the purchase of a plug-in electric motorcycle under [Section 30D\(g\)](#). However, this decade-old tax credit lapsed in December 2021 and has yet to be revived.

Electric motorcycles deserve the chance to compete on a level playing field with other electric vehicles. If they can meet the same requirements as electric cars, trucks and SUVs, their drivers should receive the same incentive to purchase environmentally-friendly, American motorcycles.

The Electric Motorcycle Parity Act would:

- Make vehicles with fewer than 4 wheels eligible for the 30D clean vehicle tax credit, which awards:
 - \$3,750 per vehicle meeting the critical minerals requirement and
 - \$3,750 per vehicle meeting the battery requirement.
- Per existing law, these vehicles will be subject to the same requirements on North American assembly, MSRP limit, and AGI limit on the buyer.