

## **California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA)**

Senate Bill 71, The Advanced Transportation and Alternative Source Manufacturing Sales and Use Tax Exclusion Program promotes California-based manufacturing, California-based jobs, and the reduction of greenhouse gases, air and water pollution, and/or energy consumption by providing a partial sales tax exemption. This exemption requires application, approval and unique guidelines to implement.

So far, the Program has approved sales tax exemptions in the following fields:

- Electric Vehicle Manufacturing;
- Solar Photovoltaic Manufacturing;
- Landfill Gas Capture and Production;
- Biogas Capture and Production (Dairies and Waste Water Treatment Plants);
- Demonstration Hydrogen Fuel Production;
- Electric Vehicle Battery Manufacturing;
- Biomass Processing and Fuel Production; and
- Others

### **Who is Company Eligible?**

In order to be eligible – Applicants must show that the property to be purchased will be used for the design, manufacture, production or assembly of advanced transportation technologies or alternative source – including energy efficiency – products, components, or systems.

### **How Do I Apply?**

Applications are accepted on an on-going basis, and there is no limitation to the amount that can be provided through the SB 71 Program. The application process is complex, so a good consultant will help steer your company through the Application process and will work with CAEATFA staff to help you obtain a sales and use tax exclusion (STE) provided by the State.

There are no STE minimum or maximum limits for individual projects under the SB 71 Program. Applicants will be required to make at least twenty five (25) percent of the purchases identified in their application within one year of application approval. All purchases must be made within three years following the approval of the application, unless CAEATFA grants a longer time period.

## **Is There a Fee?**

The State Application Fee is equal to .0005 of the total purchase prices of the qualified property identified in each application. The minimum application fee is \$250 with a maximum of \$10,000.

Payment for this fee is required at the time the application is submitted. An Administrative Fee will also be required by the Authority and is equal to .004 of the total purchase price of the qualified property approved of in the application.