



**INDIVIDUAL INCOME TAX**  
**Electric-assisted bicycle rebate**

January 29, 2025

	Yes	No
DOR Administrative Costs/Savings	X	

Department of Revenue  
Analysis of S.F. 219 (Abeler)

	<b>Fund Impact</b>			
	<b><u>F.Y. 2026</u></b>	<b><u>F.Y. 2027</u></b>	<b><u>F.Y. 2028</u></b>	<b><u>F.Y. 2029</u></b>
		(000's)		
General Fund	\$0	\$0	\$0	\$0

Effective the day following enactment.

**EXPLANATION OF THE BILL**

**Current Law:** Individuals may receive a rebate certificate for 50% to 75% of eligible expenses related to an electric assisted bicycle and any qualifying accessories. The maximum rebate is \$1,500. An eligible individual must be at least 15 years old, a Minnesota resident, and not claimed as a dependent on another tax return.

The rebate percentage is 75%, reduced by one percentage point for each \$4,000 of adjusted gross income over \$50,000 for married joint filers and \$25,000 for all other filers, to a minimum of 50%.

Total rebate certificates issued must not exceed \$2 million in calendar years 2024 and 2025.

The Commissioner of Revenue allocates the rebate certificates on a first-come, first-served basis, except that 40% of the certificates must be reserved for taxpayers with adjusted gross income of less than \$78,000 for married joint filers or \$41,000 for any other filers.

**Proposed Law:** The bill changes the certificate allocation process from a first-come, first-served basis to a lottery basis.

Additionally, the bill requires the Commissioner of Revenue to submit a report by January 15, 2026 on the electric-assisted bicycle rebate program, including details about the application process, the issues it faced, and the anticipated programming that switching to a lottery system will require. The report must be submitted to the chairs and ranking minority members of the legislative committees with jurisdiction over taxes and transportation.

## REVENUE ANALYSIS DETAIL

- The bill will have no impact on the total amount of rebates, although it may affect which taxpayers receive the rebate.

**Number of Taxpayers:** In 2024, roughly 1,500 certificates were issued totaling \$2.0 million, with 1,300 of those being claimed for a total of \$1.8 million.

Minnesota Department of Revenue  
Tax Research Division  
[https://www.revenue.state.mn.us/  
revenue-analyses](https://www.revenue.state.mn.us/revenue-analyses)

sf0219 E-bike rebate lottery / sr