

shall be calculated in the same manner as for NR CI certificate requests for engines with a displacement less than 10 liters per cylinder, and in the same manner as for marine engine certificate requests for engines with a displacement greater than or equal to 10 liters per cylinder. Fees for certificate requests where the certificate would apply to stationary and mobile engines shall be calculated in the same manner as fees for the certificate requests for the applicable mobile source engines.

(f) Fees for stationary SI internal combustion engine certificate requests shall be calculated in the same manner as for NR SI certificate. Fees for certificate requests where the certificate would apply to stationary and mobile engines shall be calculated in the same manner as fees for the certificate requests for the applicable mobile source engines.

[69 FR 26248, May 11, 2004, as amended at 71 FR 39184, July 11, 2006; 73 FR 3612, Jan. 18, 2008]

**§ 85.2406 Can I qualify for reduced fees?**

(a) *Eligibility requirements.* To be eligible for a reduced fee, the following conditions must be satisfied:

(1) The certificate is to be used for sale of vehicles or engines within the United States; and

(2) The full fee for a certification request for a MY exceeds 1.0% of the aggregate projected retail sales price of all vehicles or engines covered by that certificate.

(b) *Determination of certificate type.* (1) If the number of vehicles or engines to be covered by the certificate is less than six and the retail sales price of all of the vehicles or engines is less than \$75,000 each, a reduced fee request shall be made for a certificate covering 5 vehicles or engines. The final reduced fee calculation and adjustment provisions of paragraph (e) of this section are applicable to certificates issued under this provision.

(2) If the number of vehicles or engines to be covered by the certificate is greater than five and/or the retail sales price of at least one of the vehicles or engines is greater than \$75,000 each, a reduced fee request shall be made for a

certificate covering the estimated number of vehicles or engines.

(c) *Initial reduced fee calculation.* (1) If the requirements of paragraph (a) of this section are satisfied, the initial fee payment to be paid by the applicant (the "initial fee payment") will be the greater of:

(i) 1.0% of the aggregate projected retail sales price of all the vehicles or engines to be covered by the certification request; or

(ii) A minimum initial fee payment of \$750.

(2) For vehicles or engines that are converted to operate on an alternative fuel using as the basis for the conversion a vehicle or engine which is covered by an existing OEM certificate of conformity, the cost basis used in this section must be the aggregate projected retail value-added to the vehicle or engine by the conversion rather than the full cost of the vehicle or engine. To qualify for this provision, the applicable OEM certificate must cover the same sales area and model year as the requested certificate for the converted vehicle or engine.

(3) For ICI certification requests, the cost basis of this section must be the aggregate projected retail cost of the entire vehicle(s) or engine(s), not just the value added by the conversion. If the vehicles/engines covered by an ICI certificate are not being offered for sale, the manufacturer shall use the fair retail market value of the vehicles/engines as the retail sale price required in this section. For an ICI certification request, the retail sales price (or fair retail market value) must be based on the applicable National Automobile Dealer's Association (NADA) appraisal guide and/or other evidence of the actual market value.

(4) The aggregate cost used in this section must be based on the total projected sales of all vehicles and engines under a certificate, including vehicles and engines modified under the modification and test option in 40 CFR 85.1509 and 89.609. The projection of the number of vehicles or engines to be covered by the certificate and their projected retail selling price must be based on the latest information available at the time of the fee payment.

## Environmental Protection Agency

## § 85.2406

(5) A manufacturer may submit a reduced fee as described in paragraphs (a), (b) and (c)(1) through (c)(4) of this section if it is accompanied by a statement from the manufacturer that the reduced fee is appropriate under this section. The reduced fee shall be deemed approved unless EPA determines that the criteria of this section has not been met. The Agency may make such a determination either before or after EPA issues a certificate of conformity. If the Agency determines that the requirements of this section have not been met, EPA may deny future reduced fee requests and require submission of the full fee payment until such time as the manufacturer demonstrates to the satisfaction of the Administrator that its reduced fee submissions are based on accurate data and that final fee payments are made within 45 days of the end of the model year.

(6) If the reduced fee is denied by the Administrator, the applicant will have 30 days from the date of notification of the denial to submit the appropriate fee to EPA or appeal the denial.

(d) *Revision of the number of vehicles or engines covered by the certificate.* (1) If after the original certificate is issued, the number of vehicles or engines to be produced or imported under the certificate exceeds the number indicated on the certificate, the manufacturer or importer shall:

(i) Request that EPA revise the certificate with a number that indicates the new projection of the vehicles or engines to be covered by the certificate. The revised certificate must be requested, revised and issued before the vehicles or engines are sold or imported into the United States.

(ii) Submit payment of 1.0% of the aggregate projected retail sales price of all the vehicles or engines over and above the number of vehicles or engines listed on the original certificate to be covered by the certification request;

(iii) Submit a final reduced fee calculation and adjustment at the end of the model year as set forth in the provisions of paragraph (e) of this section, if the original certificate was issued under the provisions of paragraph (b)(1) of this section.

(2) A manufacturer must receive a revised certificate prior to the sale or importation of any vehicles or engines that are not originally included in the certificate issued under paragraph (b)(1) or (b)(2) of this section, or as indicated in a revised certificate issued under paragraph (d)(1) of this section. In the event that a certificate is not timely revised such additional vehicles or engines are not covered by a certificate of conformity.

(e) *Final reduced fee calculation and adjustment.* (1) For certificates issued under the provisions of paragraph (b)(1) of this section, within 30 days of the end of the model year, the manufacturer shall submit a model year reduced fee payment report covering all certificates issued under the provisions of paragraph (b)(1) of this section in the model year for which the manufacturer has paid a reduced fee. This report will include for each certificate issued:

(i) The fees paid prior to the time of issuance of the certificate;

(ii) The total actual number of vehicles covered by the certificate;

(iii) The calculation of the actual final reduced fee due for each certificate; and

(iv) The difference between the total fees paid and the total final fees due from the manufacturer.

(2) The final reduced fee shall be calculated using the procedures of paragraph (c) of this section but using actual production figures rather than projections.

(3) If the initial fee payment does not exceed the final reduced fee, then the manufacturer shall pay the difference between the initial reduced fee and the final reduced fee using the provisions of § 85.2408. This payment shall be paid within 45 days of the end of the model year. The total fees paid for a certificate shall not exceed the applicable full fee of § 85.2405. If a manufacturer fails to make complete payment with 45 days or to submit the report under paragraph (e)(1) of this section then the Agency may void *ab initio* the applicable certificate. EPA may also refuse to grant reduced fee requests submitted under paragraph (c)(5) of this section.

## § 85.2407

## 40 CFR Ch. I (7-1-08 Edition)

(4) If the initial fee payment exceeds the final reduced fee then the manufacturer may request a refund using the procedures of § 85.2407.

(5) Manufacturers must retain in their records the basis used to calculate the projected sales and fair retail market value and the actual sales and retail price for the vehicles and engines covered by each certificate that is issued under the reduced fee provisions of this section. This information must be retained for a period of at least three years after the issuance of the certificate and must be provided to the Agency within 30 days of request. Manufacturers are also subject to the applicable maintenance of records requirements of Part 86, Subpart A. If a manufacturer fails to maintain the records or provide such records to EPA as required by this paragraph then EPA may void *ab initio* the certificate for which such records shall be kept.

### § 85.2407 Can I get a refund if I don't get a certificate or overpay?

(a) *Full refund.* The Administrator shall refund the total fee imposed by § 85.2405 if the applicant fails to obtain a certificate, for any reason, and requests a refund.

(b) *Partial refund.* The Administrator shall refund a portion of a reduced fee, paid under § 85.2406, due to a decrease in the aggregate projected or actual retail sales price of the vehicles or engines covered by the certificate request. The Administrator shall also refund a portion of the initial payment when the initial payment exceeded the final fee for the vehicles or engines covered by the certificate request.

(1) Partial refunds are only available for certificates which were used for the sale of vehicles or engines within the United States.

(2) Requests for a partial refund may only be made once the model year for the applicable certificate has ended. Requests for a partial refund must be submitted no later than six months after the model year has ended.

(3) Requests for a partial refund must include all the following:

(i) A statement that the applicable certificate was used for the sale of vehicles or engines within the United States.

(ii) A statement of the initial fee amount paid (the reduced fee) under the applicable certificate.

(iii) The actual number of vehicles or engines produced or imported under the certificate (whether or not the vehicles/engines have been actually sold).

(iv) The actual retail selling or asking price for the vehicles or engines produced or imported under the certificate.

(v) The calculation of the reduced fee amount using actual production figures and retail prices.

(vi) The calculated amount of the refund.

(c) *Refunds due to errors in submission.* The Agency will approve requests from manufacturers to correct errors in the amount or application of fees if the manufacturer provides satisfactory evidence that the change is due to an accidental error rather than a change in plans. Requests to correct errors must be made to the Administrator as soon as possible after identifying the error. The Agency will not consider requests to reduce fee amounts due to errors that are reported more than 90 days after the issuance of the applicable certificate of conformity.

(d) In lieu of a refund, the manufacturer may apply the refund amount to the amount due on another certification request.

(e) A request for a full or partial refund of a fee or a report of an error in the fee payment or its application must be submitted in writing to: U.S. Environmental Protection Agency, Vehicle Programs and Compliance Division, Fee Program Specialist, National Vehicle and Fuel Emission Laboratory, 2000 Traverwood, Ann Arbor, MI 48105.

### § 85.2408 How do I make a fee payment?

(a) All fees required by this subpart shall be paid by money order, bank draft, certified check, corporate check, or electronic funds transfer payable in U.S. dollars to the order of the Environmental Protection Agency.

(b) A completed fee filing form must be sent to the address designated on the form for each fee payment made.

(c) Fees must be paid prior to submission of an application for certification.