Growth Energy®

Drive American Innovation Through Federal Tax Incentives

The 45Z Clean Fuel Production Tax Credit provides a tax credit for low-emissions fuels that have a carbon intensity (CI) score below a baseline level (50 kgCO2e/mmBTU). This incentive will ensure the U.S. maintains its dominant position as the world's top biofuel producer, provide new income opportunities for growers in an ailing farm economy, and promote American leadership in liquid fuels for light-duty vehicles, heavy-duty trucks, aviation, and marine vessels.

Implemented properly, this pro-growth tax policy will unlock billions of dollars in new investments in U.S. clean energy innovation.

OUR REGULATORY ASKS

ASK **Treasury, working with the Departments of Energy (DOE) and Agriculture (USDA), should keep the current proposed 45Z rulemaking intact, with the following modest changes:**

- Include the use of USDA's feedstock carbon intensity calculator from its Technical Guidelines for the Production of Regenerative Agricultural Biofuel Feedstocks rule as a module to the updated 45ZCF-GREET model to calculate credit value.
- Finish the Provisional Emissions Rate (PER) regulation.
- Provide additional prevailing wage flexibility:
  - Geographic flexibility for job classifications.
  - Allow yearly (instead of quarterly) compliance.
- Adjust SAF certification process to ease potential administrative bottlenecks and complications.
- Revise DOE 45ZCF-GREET User Manual to allow carbon utilization to count as a CI reducing practice.
- DOE should update the 45ZCF-GREET Model and user manual to include additional feedstocks, including wheat slurry, sorghum oil, sorghum fiber, and proso millet, as well as technologies such as low-carbon natural gas and renewable natural gas.

SOARING POTENTIAL

With the right rulemaking, the 45Z credit could:

- Add $21 billion to the U.S. economy.
- Support 192,000 new jobs.
- Generate $13.4 billion in household income.

For more information visit **GrowthEnergy.org.**

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