

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 is critical to ensure we maintain our dominant position as the world's top biofuel producer, provide new income opportunities for growers in an ailing farm economy, and ensure U.S. leadership in liquid fuels for light-duty vehicles, heavy-duty trucks, sustainable aviation fuel (SAF), and marine vessels.

This pro-growth tax policy will unlock billions of dollars in new investments in U.S. clean energy innovation.

OUR REGULATORY ASKS

ASK Treasury should keep the current proposed 45Z rulemaking intact, with the following modest changes:

- » Allow the use of U.S. Department of Agriculture's (USDA) proposed farm practices in conjunction with the GREET model's feedstock carbon intensity calculator to calculate credit value.
- » Finish Provisional Emissions Rate (PER) regulation.
- » Fix "qualifying sale" regulation to clarify documentation sufficient to establish a "qualified sale" in a manner consistent with the practicalities of the existing fuel distribution market.
- » Finalize the addition of ASTM D8651 for undenatured ethanol within the definition of "low-GHG ethanol."
- » 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.
- » Further clarify anti-stacking provision.
- » Change 45ZCF-GREET User Manual to allow carbon utilization to count as a CI reducing practice.

SOARING POTENTIAL

With the right policy certainty, the 45Z credit could:

- Add \$21 billion to the U.S. economy.
- Support 192,000 new jobs.
- Generate \$13.4 billion in household income.
- Provide farmers with a 10% premium price on low-carbon corn used at an ethanol plant.

