SUPPORT TRANSIT EFFORTS TO IMPROVE AIR QUALITY

SUPPORT THE ALTERNATIVE FUELS TAX CREDIT

What is the Alternative Fuels Tax Credit (AFTC)?
- $0.50 per gallon credit for alternative fuels used in transportation.
- Includes compressed natural gas “CNG,” propane and others.
- The AFTC was extended for 2018, 2019 and 2020; but it expires December 31, 2020.
- For tax exempt entities, the credit acts as a cash rebate.

Transit Agencies, School Districts, and Non-Profits Utilize the AFTC
- ~150 transit agencies nationwide utilize alternative fuels.\(^1\)
- 850+ school districts utilize propane in buses.
- 5,500+ natural gas school buses operate in the U.S.
- Tax exempt entities can claim the full credit.
- To claim the credit, the claimant must be a registered using IRS Form 637.
- The IRS recently published Notice 2020-8 providing the procedures for taxpayers to claim the fuel tax credits retroactively for 2018 and provides window of 2/14/20 – 8/11/20 to file Form 8849, Claim for Refund of Excise Taxes.

Support public entities and non-profits who make environmentally friendly investments
- Over 141.1 million Americans, or 4 out of 10, live in areas with air that is unhealthy to breathe.\(^2\)
- Using natural gas reduces NOx, CO2, and greenhouse gas emissions.
- The AFTC can offset the increased costs for transit agencies who invest in green technology, especially for transit agencies who are stretching every dollar.
- CNG buses can cost $68,000 more than diesel buses\(^3\)
- CNG fueling stations can cost over $1 million for equipment and installation and $115,000 in annual operations and maintenance costs.\(^4\)

How to support the extension of the alternative fuel tax credit (H.R. 5089)
- Urge your Congressional delegation to co-sponsor H.R. 5089, which extends the AFTC through 2024 at $0.50/gallon and from 2025-2026 at $0.25/gallon, by contacting ben.jackson@mail.house.gov with Rep. Fletcher (D-TX) or miranda.moorman@mail.house.gov with Rep. Mullin (R-OK).
- Urge your Congressional delegation to support the extension of the AFTC in the Growing Renewable Energy and Efficiency Now (GREEN) Act. The AFTC extension is included in a “discussion draft,” which is expected to be introduced soon after the Select Committee on the Climate Crisis releases its recommendations in spring 2020.

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\(^1\) National Transit Database.
\(^2\) American Lung Association, 2019.
\(^3\) ICF International, Inc., Comparison of Medium- and Heavy Duty Technologies in California, December 2019
\(^4\) Ibid.