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(Original Signature of Member)

117TH CONGRESS
1ST SESSION

H. R. _____

To amend the Internal Revenue Code of 1986 to extend biodiesel and renewable diesel incentives, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. COSTA introduced the following bill; which was referred to the Committee
on _____

A BILL

To amend the Internal Revenue Code of 1986 to extend biodiesel and renewable diesel incentives, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Biodiesel, Renewable
5 Diesel, and Alternative Fuels Extension Act of 2021”.

6 **SEC. 2. EXTENSION OF BIODIESEL AND RENEWABLE DIE-**
7 **SEL INCENTIVES.**

8 (a) INCOME TAX CREDIT.—

1 (1) EXTENSION.—Subsection (g) of section 40A
2 of the Internal Revenue Code of 1986 is amended by
3 striking “December 31, 2022” and inserting “De-
4 cember 31, 2025”.

5 (2) PHASEDOWN.—Subsection (b) of section
6 40A of such Code is amended by adding at the end
7 the following:

8 “(5) PHASEDOWN.—In the case of taxable
9 years beginning after 2022, paragraphs (1)(A) and
10 (2)(A) shall each be applied by substituting for
11 ‘\$1.00’ the following:

12 “(A) ‘\$0.75’ for taxable years beginning in
13 2023, and

14 “(B) ‘\$0.50’ for taxable years beginning
15 after 2023.”.

16 (b) EXCISE TAX INCENTIVES.—

17 (1) CREDIT.—Paragraph (6) of section 6426(c)
18 of such Code is amended by striking “December 31,
19 2022” and inserting “December 31, 2025”.

20 (2) PAYMENTS.—Subparagraph (B) of section
21 6427(e)(6) of such Code is amended by striking
22 “December 31, 2022” and inserting “December 31,
23 2025”.

24 (3) PHASEDOWN.—Paragraph (2) of section
25 6426(c) of such Code is amended by inserting before

1 the period at the end the following: “(\$0.75 for fuel
2 sold or used in 2023 and \$0.50 for fuel sold or used
3 after 2023)”.

4 (c) EFFECTIVE DATE.—The amendments made by
5 this section shall apply to fuel sold or used after December
6 31, 2021.

7 **SEC. 3. EXTENSION OF EXCISE TAX CREDITS RELATING TO**
8 **ALTERNATIVE FUELS.**

9 (a) EXTENSION OF ALTERNATIVE FUELS EXCISE
10 TAX CREDITS.—

11 (1) IN GENERAL.—Paragraph (5) of section
12 6426(d) and paragraph (3) of section 6426(e) of the
13 Internal Revenue Code of 1986 are each amended by
14 striking “December 31, 2021” and inserting “De-
15 cember 31, 2025”.

16 (2) OUTLAY PAYMENTS FOR ALTERNATIVE
17 FUELS.—Subparagraph (C) of section 6427(e)(6) of
18 such Code is amended by striking “December 31,
19 2021” and inserting “December 31, 2025”.

20 (3) PHASEDOWN.—

21 (A) ALTERNATIVE FUEL CREDIT.—Para-
22 graph (1) of section 6426(d) of such Code is
23 amended by inserting “(37.5 cents for fuel sold
24 or used in 2023 and 25 cents for fuel sold or
25 used after 2023)” after “50 cents”.

1 (B) ALTERNATIVE FUEL MIXTURE CRED-
2 IT.—Paragraph (1) of section 6426(e) of such
3 Code is amended by inserting “(37.5 cents for
4 fuel sold or used in 2023 and 25 cents for fuel
5 sold or used after 2023)” after “50 cents”.

6 (b) EFFECTIVE DATE.—The amendments made by
7 this section shall apply to fuel sold or used after December
8 31, 2021.