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 Diesel, and Alternative Fuels Extension Act of 2021”.

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

7 (a) INCOME TAX CREDIT.—

8
(1) EXTENSION.—Subsection (g) of section 40A of the Internal Revenue Code of 1986 is amended by striking “December 31, 2022” and inserting “December 31, 2025”.

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

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

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

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

(b) EXCISE TAX INCENTIVES.—

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

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

(3) PHASEDOWN.—Paragraph (2) of section 6426(c) of such Code is amended by inserting before
the period at the end the following: “($0.75 for fuel
sold or used in 2023 and $0.50 for fuel sold or used
after 2023)”.

(e) Effective Date.—The amendments made by
this section shall apply to fuel sold or used after December
31, 2021.

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

(a) Extension of Alternative Fuels Excise
TaxCredits.—

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

(2) Outlay Payments for Alternative
Fuels.—Subparagraph (C) of section 6427(e)(6) of
such Code is amended by striking “December 31,
2021” and inserting “December 31, 2025”.

(3) Phasedown.—

(A) Alternative Fuel Credit.—Para-
graph (1) of section 6426(d) of such Code is
amended by inserting “(37.5 cents for fuel sold
or used in 2023 and 25 cents for fuel sold or
used after 2023)” after “50 cents”.

March 15, 2021 (11:26 a.m.)
(B) ALTERNATIVE FUEL MIXTURE CRED-
it.—Paragraph (1) of section 6426(e) of such
Code is amended by inserting “(37.5 cents for
fuel sold or used in 2023 and 25 cents for fuel
sold or used after 2023)” after “50 cents”.

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