

117TH CONGRESS  
1ST SESSION

# H. R. 3272

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

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## IN THE HOUSE OF REPRESENTATIVES

MAY 17, 2021

Mr. COSTA (for himself and Mr. VALADAO) introduced the following bill; which was referred to the Committee on Ways and Means

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## 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.—

9 (1) EXTENSION.—Subsection (g) of section 40A  
10 of the Internal Revenue Code of 1986 is amended by

1 striking “December 31, 2022” and inserting “De-  
2 cember 31, 2025”.

3 (2) PHASEDOWN.—Subsection (b) of section  
4 40A of such Code is amended by adding at the end  
5 the following:

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

10 “(A) ‘\$0.75’ for taxable years beginning in  
11 2023, and

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

14 (b) EXCISE TAX INCENTIVES.—

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

18 (2) PAYMENTS.—Subparagraph (B) of section  
19 6427(e)(6) of such Code is amended by striking  
20 “December 31, 2022” and inserting “December 31,  
21 2025”.

22 (3) PHASEDOWN.—Paragraph (2) of section  
23 6426(c) of such Code is amended by inserting before  
24 the period at the end the following: “(\$0.75 for fuel

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

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

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

(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 “December 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”.

19 (3) PHASEDOWN.—

(A) ALTERNATIVE FUEL CREDIT.—Paragraph (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”.

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.

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