



Tuesday, December 17, 2019

## **Tax Extenders Update for Fuel Retailers**

Congress has successfully passed a tax extenders package that includes key elements for ethanol blends, and specifically E85. E85 is defined as an alternative fuel by the U.S. Department of Energy (DOE) and qualifies for an infrastructure tax credit under the new package.

Under the Alternative Fuel Vehicle Refueling Property Credit (AFVRPC), as extended under the new tax deal, fueling equipment for E85 (85% ethanol, 15% gasoline) installed through December 31, 2020, is eligible for a tax credit of 30% of the cost, not to exceed \$30,000. Permitting and inspection fees are not included in covered expenses. This credit is also available retroactively for 2018 and 2019 tax years.

Fueling station owners who install (or have installed in 2018 & 2019 tax years) qualified equipment at multiple sites are allowed to use the credit towards each location.

Unused credits that qualify as general business tax credits, as defined by the Internal Revenue Service (IRS), may be carried backward one year and carried forward 20 years.

For fuel retailers to claim the credit, they need to file IRS Form 8911. Both the form and the instructions on how to use it can be found here: <https://www.irs.gov/forms-pubs/about-form-8911>

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