



The Honorable Charles Rettig
Commissioner
Internal Revenue Service
1111 Constitution Avenue NW
Washington, D.C. 20224

The Honorable Aviva Aron-Dine
Assistant Secretary, Tax Policy, Acting
U.S. Department of the Treasury
1500 Pennsylvania Avenue NW
Washington, D.C. 20220

Dear Commissioner Rettig and Assistant Secretary Aron-Dine:

Thank you for your work to release additional guidance on Section 40B Sustainable Aviation Fuel Credits and Modified GREET Modeling. The guidance recently announced was a good first step in the implementation of the Inflation Reduction Act provisions to produce Sustainable Aviation Fuel (SAF).

The purpose of this letter is to urge you to continue and finalize your rulemaking for the IRC Section 45Z Clean Fuel Production Credit, including any required updates to GREET models. American ingenuity and a robust entrepreneurial spirit have always been unique to our country and it will determine the success in meeting the President's ambitious goals to produce SAF from corn ethanol produced on our nation's farms. It's important that this is done right and in a timely manner.

This innovative production tax credit marks a significant shift in tax policy. It offers incentives for the domestic production of fuels based on their lifecycle greenhouse gas emissions rates, a first of its kind. Our member companies and organizations, including landowners, ethanol producers, carbon capture pipeline companies, farmers and everyday citizens, have eagerly embraced this new energy future for America.

Pipelines are in development and ethanol plants that are in an area where applicable, are sequestering carbon into the ground. The ethanol industry is already embracing these changes and showing the willingness to step forward and lead the way.

The clean fuels market is intricately linked to agricultural inputs, feedstock production, fuel sales, futures trading, intermediary allocations, and other factors. Understanding the new tax structure well in advance is crucial for navigating this complex ecosystem. With the Sec. 45Z credit slated to come into effect on January 1, 2025, our member companies and organizations may encounter significant challenges and business risks if the guidance is not promptly published. Delays in issuing guidance for the Sec. 45Z credit could jeopardize existing production and demand for low-carbon renewable fuels. Timeliness is key for businesses who are anxious to participate in the President's goals of producing home-grown and produced Sustainable Aviation Fuels.

We also believe that workable, reasonable, and flexible on-farm carbon reduction options are vital to the success of our nation's farms and need to be included. Also needed to be addressed are rules for other commodities and wet mill ethanol plants.

We appreciate your efforts to implement the clean energy tax policies outlined in the Inflation Reduction Act. We once again urge you to consider the expedited process for the issuance of guidance for these groundbreaking clean fuels policies.

Sincerely,

A handwritten signature in black ink that reads "Thomas Buis". The signature is written in a cursive, flowing style.

Tom Buis
CEO American Carbon Alliance