PROPANE AUTOGAS

A CLEAN FUEL AT THE BEST OVERALL COST

Michael Taylor
Director of Autogas Business Development
Propane Education & Research Council
PROPANE EDUCATION & RESEARCH COUNCIL
Why Propane Autogas?

- Proven technology.
- Lowest total cost-of-ownership.
- Reliable performance.
- Affordable infrastructure.
- Domestic, portable, and clean.
CLEAN DOMESTIC FUEL
Non-toxic and a non-contaminant of air, soil, and water resources.
The Most Emissions Reduced

Light-Duty Trucks

*Assumed annual mileage: 11,400. Fuel economies based on 2016 AFLEET data.
The Most Emissions Reduced

Medium-Duty Trucks

*Assumed annual mileage: 20,000. Fuel economy based on propane industry data.
AFFORDABLE INFRASTRUCTURE
Affordable Infrastructure
RELIABLE PERFORMANCE
School Transportation

• 14,000+ school buses
• 850,000+ students
• 830 school districts
• 48 states
• $22 million in annual savings.
  • $1,500.00 per bus*
Vehicle Lifecycle Cost Analysis

TOTAL COST-OF-OWNERSHIP
The Lowest Total Cost-of-Ownership

- Complete lifecycle analysis.
- 3 F’s: Fuel, Filters, and Fluids.
- Maintenance and repairs.
- Labor and wages.
- Fuel handling and storage.
- Garages and facilities.
- Refueling infrastructure.
PROVEN TECHNOLOGY
Trusted by a growing number of light- and medium-duty fleets: delivery, construction, taxis, law enforcement, municipalities, the propane industry, universities, and more.
“Propane gives us the ability to buy a vehicle that performs almost exactly like all of our [conventionally fueled] technologies. It’s almost seamless for us.”

Bill Spraul  
Chief Operating Officer  
San Diego Metropolitan Transit System
INCENTIVES
NOTE: This incentive originally expired on December 31, 2016, but was retroactively extended through December 31, 2017, by Public Law 115-123.

A tax incentive is available for alternative fuel that is sold for use or used as a fuel to operate a motor vehicle. A tax credit in the amount of $0.50 per gallon is available for the following alternative fuels: natural gas, liquefied hydrogen, propane, P-Series fuel, liquid fuel derived from coal through the Fischer-Tropsch process, and compressed or liquefied gas derived from biomass. For propane and natural gas sold after December 31, 2015, the tax credit is based on the gasoline gallon equivalent (GGE) or diesel gallon equivalent (DGE). For taxation purposes, one GGE is equal to 5.75 pounds (lbs.) of propane and 5.68 lbs. of compressed natural gas. One DGE is equal to 6.08 lbs. of liquefied natural gas.

For an entity to be eligible to claim the credit they must be liable for reporting and paying the federal excise tax on the sale or use of the fuel in a motor vehicle. Tax exempt entities such as state and local governments that dispense qualified fuel from an on-site fueling station for use in vehicles qualify for the incentive. Eligible entities must be registered with the Internal Revenue Service (IRS). The incentive must first be taken as a credit against the entity’s alternative fuel tax liability; any excess over this fuel tax liability may be claimed as a direct payment from the IRS. The tax credit is not allowed if an incentive for the same alternative fuel is also determined under the rules for the ethanol or biodiesel tax credits.

Under current law, this tax credit is applicable to fuel sold or used through December 31, 2017. The U.S. Department of the Treasury (Treasury) will issue guidance for how to submit claims by March 11, 2018. Claims may be submitted for a 180-day period beginning no later than 30 days after Treasury issues guidance, and claims will be paid no later than 60 days after receipt. (Reference Public Law 115-123, Public Law 114-113, and 26 U.S. Code 6426)

Point of Contact
Excise Tax Branch
U.S. Internal Revenue Service Office of Chief Counsel
Phone: (202) 317-6865
http://www.irs.gov/
2017 Alternative Fuel Infrastructure Tax Credit

NOTE: This incentive originally expired on December 31, 2016, but was retroactively extended through December 31, 2017, by Public Law 115-123.

Fueling equipment for natural gas, propane, liquefied hydrogen, electricity, E85, or diesel fuel blends containing a minimum of 20% biodiesel installed through December 31, 2017, 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. Fueling station owners who install qualified equipment at multiple sites are allowed to use the credit towards each location. Consumers who purchased qualified residential fueling equipment prior to December 31, 2017, may receive a tax credit of up to $1,000. 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 more information about claiming the credit, see IRS Form 8911, which is available on the IRS Forms and Publications website. (Reference Public Law 115-123, Public Law 114-113, 26 U.S. Code 30C and 38, and IRS Notice 2007-43.)

Point of Contact
U.S. Internal Revenue Service
Phone: (800) 829-1040
http://www.irs.gov/
MICHAEL TAYLOR
DIRECTOR AUTOGAS BUSINESS DEVELOPMENT
(859) 409-1439
michael.taylor@propane.com