

# H.F. 1669

As amended by H1669DE1

**Subject** Sustainable aviation fuel

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## Overview

H.F. 1669 would modify the state's existing income tax credit for the production of sustainable aviation fuel by modifying the types of fuel that qualify for the credit, providing a supplemental credit for increases in fuel having certain carbon intensity reductions, increasing the credit allocation for fiscal years 2026 and 2027, and extending the availability of the credit through fiscal year 2035.

## Summary

| Section | Description  |
|---------|--|
| 1       | <b>Definitions.</b><br>Modifies the definition of fuel that qualifies for the credit to include fuel derived from gaseous carbon oxides.   |
| 2       | <b>Tax credit establishment.</b><br>Allows a supplemental credit of 2 cents per gallon for each additional whole percentage carbon intensity reduction beyond 50 percent, up to 50 cents per gallon.   |
| 3       | <b>Allocation limits.</b><br>Increases the credit allocation from \$2,100,000 in fiscal years 2026 and 2027 to \$7,400,000. Clarifies how the rollover of the credit allocation should be administered and extends the number of years the lower allocation amount is available. |
| 4       | <b>Expiration.</b><br>Extends the sunset for the credit to tax year 2036, from tax year 2031.  |