

Congress Passes Retroactive Tax Credit For Propane Autogas Vehicles



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The [Propane Education & Research Council \(PERC\)](#) is encouraging propane autogas fleet operators to take advantage of the Alternative Fuel Tax Credit, which was recently passed by the U.S. Congress as part of the Further Consolidated Appropriations Act, 2020. Propane autogas fleet operators who apply for the tax credit will be able to claim a credit for every gasoline gallon equivalent of propane purchased, or about 37 cents per gallon. The bill not only extends the credits through December 31, 2020, but fleet owners can also apply for credits retroactively for any fuel purchases made in 2018 and 2019. While April is typically tax month, companies now have until July



15 to file.

“The extension of the Alternative Fuel Tax Credit is a win for fleet managers, allowing them to further take advantage of the financial benefits of propane autogas in addition to the environmental benefits it provides fleets,” said Steve Whaley, director of autogas business development at PERC. “Even without the Alternative Fuel Tax Credit, propane autogas already offers the lowest total cost-of-ownership of any vehicle fuel, so the tax credit is icing on the cake for propane autogas fleet managers.”

The new law also retroactively extends the Alternative Fuel Vehicle Refueling Property Credit, which allows operators to claim up to 30% or \$30,000 of the cost of installing qualified alternative fuel vehicle refueling property,

including propane autogas refueling equipment.



Qualifying fleets can learn more about how to apply for these credits through [this fact sheet from the National Propane Gas Association \(NPGA\)](#). PERC encourages all vehicle operators to consult their own tax advisers first regarding any claims for credits or refunds.

From the NPGA Fact Sheet:

Qualifying vehicles

The IRS regulations provide guidance on what constitutes a “motor vehicle” for purposes of the Alternative Fuel Tax Credit. Under these rules, the term includes “all types of vehicles propelled by motor that are designed for carrying or towing loads from one place to another, regardless of the type of load or material carried or towed and whether or not the vehicle is registered or required to be registered for highway use.” The regulation explicitly includes “forklift trucks” as an example, and excludes “farm tractors, trench diggers, power shovels, bulldozers, road graders or rollers, and similar equipment which does not carry or tow a load.”

And, for more information about propane autogas vehicles, visit the [PERC website](#).

Want to talk about propane or other alternative fuels with fellow lawn care and landscape professionals? Join the discussions in the [Alternative Fuel Forum at www.expired-link.com](#).