Why NAT GAS Act of 2009 (H.R. 1835)?

- **Gets more natural gas vehicles (NGVs) on America's roads faster by augmenting and extending several key tax credits for 18 years, including:**
  - The alternative fuel credit for natural gas;
  - The natural gas fueled vehicle credit; and
  - The natural gas vehicle refueling property credit.

Balances Costs on the Front End

- **Augments the alternative fueled vehicle property tax credits:**

  a. Make all *dedicated* natural gas-fueled vehicles eligible for a credit equal to 80% of the vehicle's incremental cost.
  b. Make all *bi-fuel* natural gas-fueled vehicles eligible for a credit equal to 50% of the vehicle's incremental cost.
  c. Increases the allowable incremental cost limits to more accurately reflect the cost of producing or converting natural gas vehicles:
     i. For light-duty vehicle, the purchase tax credit cap would be increased to $12,500 from the existing $5,000
     ii. For all other vehicle weight classes, the purchase tax credit cap would be doubled

- **Allows the vehicle and infrastructure credits to count against the AMT provisions and makes them transferable:**
  - These two changes are critical to making the credits more useful since many initial users of such vehicles often do not have sufficient tax liability (or, in the case of municipal and other government fleets, no tax liability) to benefit from these tax credits.

Invests in Infrastructure

- Increases the refueling property tax credit from 50% or $50,000 to 50% or $100,000 per CNG or LNG station.
- Extends the $2,000 home refueling property tax credit

Sets Government as the Example

- Requires that no later than 12/31/2014 that at least 50 percent of the new vehicles purchased and placed into service by the federal government must be capable of operating on CNG or LNG.
- Provides grants for light- and heavy-duty natural gas engine and vehicle development, including for natural gas-hybrid electric vehicles.

Why Natural Gas ?

Natural Gas is CLEAN

- According to the EPA, cars running on natural gas cut overall toxic emissions by 93-95%.
- Natural gas vehicles produce 22% less greenhouse gases than diesel vehicles and 29% less than gasoline vehicles.
- The natural gas-powered Honda Civic GX has been named "America's Greenest Car" for six straight years by the American Council for an Energy-Efficient Economy.
- The Cummins-Westport and Emission solutions natural gas engine have already achieved the EPA's 2010 emission standards – the only medium-to heavy-duty engines to reach

Natural Gas is ABUNDANT

- 98% of the natural gas used in the United States is from North America.
- A Cambridge Energy Research Associates study found that technologies able to extract natural gas shale contributed to a 14 percent increase in natural gas production in the lower 48 United States between 2007 – 2008.
- Natural gas is available to nearly every street and community in America through 1.5 million miles of gas pipe and distribution lines throughout the country.

Natural Gas is DOMESTIC

- While we import almost 70% of our oil from foreign countries, natural gas is an abundant and domestic natural resource.
- We have nearly 120 years of domestic reserves (30-40 years longer than oil).
- Natural gas provides gallon for gallon displacement of imported oil products.

Natural Gas is a PROVEN TRANSPORTATION FUEL

- There are nearly 10 million natural gas vehicles in the world.
- No other alternative fuel has the ability to displace 100 percent of the petroleum used in heavy-duty vehicles.
- Many corporations like AT&T and Waste Management and municipalities like Washington, D.C., use natural gas trucks, buses and other vehicles.

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Natural Gas Vehicles for America