

Why NAT GAS Act? (H.R. 1835 and S. 1408)

- **Gets more natural gas vehicles (NGVs) on America's roads faster by augmenting and extending several key tax credits, 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 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 natural gas vehicle and fueling infrastructure tax credits to count against the AMT provisions and it also makes them transferable under certain conditions:**
 - 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

- 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

- Natural gas vehicles produce between 93-95 percent less overall toxics compared to gasoline and diesel vehicles.
- The natural gas-powered Honda Civic GX has been named “America’s Greenest Car” for seven straight years by the American Council for an Energy-Efficient Economy.
- With respect to urban pollution, replacing one existing diesel trash truck with a new natural gas one is like taking 300 new cars off the road.

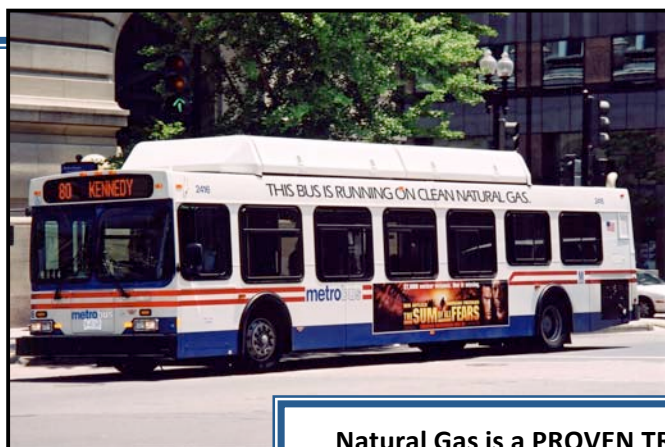
Natural Gas is ABUNDANT

- 98% of the natural gas used in the United States is from North America.
- The Potential Gas Committee (Colorado School of Mines) found America has 35 percent more natural gas than previously thought. The 2,074 trillion cubic feet of domestic natural gas reserves cited in the study is the equivalent of nearly 350 billion barrels of oil.
- 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 more than a century of domestic reserves.
- With respect to foreign oil imports, replacing one 18-wheeler with a natural gas one is like taking 40 cars off the road.



Natural Gas is a PROVEN TRANSPORTATION FUEL

- There are approximately 11 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.