

**AMENDMENT TO RULES COMMITTEE PRINT 119–****3****OFFERED BY MR. GARCIA OF CALIFORNIA**

At the appropriate place, insert the following:

1 **SEC. \_\_\_\_ . AVIATION GASOLINE PRODUCTION CREDIT.**

2 (a) IN GENERAL.—Subpart D of part IV of sub-  
3 chapter A of chapter 1 of the Internal Revenue Code of  
4 1986 is amended by adding at the end the following new  
5 section:

6 **“SEC. 45BB. AVIATION GASOLINE PRODUCTION CREDIT.**

7 “(a) AMOUNT OF CREDIT.—

8 “(1) IN GENERAL.—For purposes of section 38,  
9 the aviation gasoline production credit determined  
10 under this section for the taxable year is an amount  
11 equal to the product of—

12 “(A) the number of gallons of qualified  
13 aviation gasoline produced by the taxpayer and  
14 sold by the taxpayer in the manner described in  
15 paragraph (5) during the taxable year, multi-  
16 plied by

17 “(B) the applicable amount with respect to  
18 such gasoline.

1           “(2) APPLICABLE AMOUNT.—The applicable  
2           amount under this paragraph is equal to—

3                   “(A) in the case of qualified aviation gaso-  
4                   line sold during calendar year 2026, \$1.25,

5                   “(B) in the case of qualified aviation gaso-  
6                   line sold during calendar year 2027, \$1.20,

7                   “(C) in the case of qualified aviation gaso-  
8                   line sold during calendar year 2028, \$1.15,

9                   “(D) in the case of qualified aviation gaso-  
10                  line sold during calendar year 2029, \$1.10, and

11                  “(E) in the case of qualified aviation gaso-  
12                  line sold during calendar year 2030, \$1.05.

13           “(3) QUALIFIED AVIATION GASOLINE.—For  
14           purposes of this section, the term ‘qualified aviation  
15           gasoline’ means aviation gasoline—

16                   “(A) which is—

17                           “(i) defined in section 436.101 of title  
18                           10, Code of Federal Regulations,

19                           “(ii) free from tetra-ethyl-lead, and

20                           “(iii) produced by the taxpayer in the  
21                           United States,

22                   “(B) which meets the requirements of any  
23                   aviation fuel standards promulgated pursuant  
24                   to section 44714 of title 49, United States  
25                   Code, and

1                   “(C) the transfer of which to the fuel tank  
2                   of an aircraft occurs in the United States.

3                   “(4) SALE.—For purposes of paragraph (1),  
4                   the qualified aviation gasoline is sold in a manner  
5                   described in this paragraph if such gasoline is sold  
6                   by the taxpayer to an unrelated person—

7                   “(A) for use by such person in a trade or  
8                   business, or

9                   “(B) who sells such fuel at retail to an-  
10                  other person and places such fuel in the fuel  
11                  tank of such other person.

12                  “(b) REGISTRATION OF QUALIFIED AVIATION GASO-  
13                  LINE PRODUCERS.—No credit shall be allowed under this  
14                  section with respect to any aviation gasoline unless the  
15                  producer of such fuel—

16                  “(1) is registered with the Secretary under sec-  
17                  tion 4101, and

18                  “(2) provides certification (in such form or  
19                  manner as the Secretary shall prescribe after con-  
20                  sultation with the Secretary of Transportation) dem-  
21                  onstrating that such gasoline is qualified aviation  
22                  gasoline.

23                  “(c) REGULATIONS AND GUIDANCE.—Not later than  
24                  180 days after the date of the enactment of this section,  
25                  the Secretary shall, after consultation with the Secretary

1 of Transportation, prescribe such regulations and guid-  
2 ance as are necessary to carry out the purposes of this  
3 section.

4 “(d) TERMINATION.—This section shall not apply to  
5 any sale after December 31, 2030.”.

6 (b) CREDIT MADE PART OF GENERAL BUSINESS  
7 CREDIT.— Section 38(b) of such Code is amended by  
8 striking “plus” at the end of paragraph (40), by striking  
9 the period at the end of paragraph (41) and inserting “,  
10 plus”, and by inserting after paragraph (41) the following  
11 new paragraph:

12 “(42) the aviation gasoline production credit  
13 determined under section 45BB.”.

14 (c) CERTIFICATION OF PRODUCERS.—Section  
15 4101(a)(1) of such Code is amended by striking “and  
16 every person producing second generation biofuel (as de-  
17 fined in section 40(b)(6)(E))” and inserting “every person  
18 producing second generation biofuel (as defined in section  
19 40(b)(6)(E)), and every person producing qualified avia-  
20 tion gasoline (as defined in section 45BB(a)(4))”.

21 (d) QUALIFIED AVIATION GASOLINE TAXED AS AVIA-  
22 TION GASOLINE.—Section 4081(a)(2)(A)(ii) of such Code  
23 is amended by inserting “(including qualified aviation gas-  
24 oline as defined in section 45BB(a)(4))” after “aviation  
25 gasoline”.

1       (e) CLERICAL AMENDMENT.—The table of sections  
2 for subpart D of subchapter A of chapter 1 of such Code  
3 is amended by inserting after the item relating to section  
4 45AA the following new item:

“Sec. 45BB. Aviation gasoline credit.”.

5       (f) EFFECTIVE DATE.—The amendments made by  
6 this section shall apply to fuel sold or used after December  
7 31, 2025.

