

Introduction to Incentives & Grants for Vehicles & Equipment Powered by Biobased Diesel Fuels

IBTI – Incentive for Biobased Diesel Fuel

- **Illinois Biodiesel Tax Incentive (IBTI)**

- Provides a full exemption from the 6.25% sales tax for biodiesel and renewable diesel blends that meet or exceed statutory blend percentages. The value of the credit ranges because it is calculated based on average quarterly prices.
 - April 1 – November 30, 2024: Blends above 13% (B14)
 - April 1, 2025 – November 30, 2025: Blends above 16% (B17)
 - April 1, 2026 – November 30, 2026: Blends above 19% (B20)
 - April 1, 2027 – November 30, 2027: Blends above 19% (B20)
 - April 1, 2028 – November 30, 2028: Blends above 19% (B20)
 - April 1, 2029 – November 30, 2029: Blends above 19% (B20)
 - April 1, 2030 – November 30, 2030: Blends above 19% (B20)
- There is a winter allowance (December to March) each year that exempts blends above 10% (B11).
- Important to note that B20 still qualifies for the exemption. Does NOT mean you cannot operate B20 through the winter months.

Illinois is the #1 producer of soybeans and the 3rd largest producer of biodiesel with plants located in Gilman, Seneca, Danville, and Lena.

Industry supports nearly 2,000 jobs and 1.6 billion in economic activity.

HBIIP – Biofuel Infrastructure Funding

- Higher Blends Infrastructure Incentive Program (HBIIP)

- Covers up to 75% of the *eligible* costs (up to \$5 million) to retrofit existing, or purchase and install new, fuel dispensers and attached equipment, underground storage tank system components, and other infrastructure required at a location to ensure the environmentally safe availability of higher blends of ethanol and/or biodiesel. Renewable diesel and SAF do NOT qualify.
 - Ethanol blends greater than 10 percent
 - Ex. E15, E85
 - Biodiesel blends greater than 5 percent
 - Ex. B11, B20, B100
- Approximately \$90 million available each quarter
 - Window is currently closed
 - One final round *may* open under the current funding allocation
 - Biofuel industry is working to renew – bipartisan support
- Fueling stations, **fleet facilities**, and fuel marketers are eligible



**Notice of Funding
Opportunity is
currently closed**

**Ongoing bipartisan
effort to reauthorize
HBIIP through
FY2029**

rd.usda.gov/HBIIP

Arlington Heights – B20 Pumps



DERA – Vehicle/Equipment Funding

- **Diesel Emission Reduction Act (DERA)**

- Funding levels vary depending on the project and technology
- In 2024, the USEPA had \$90 million available for the **National DERA program** (differs from the school bus rebate and state-run DERA programs)
- Grant funds may be used for diesel emission reduction projects including:
 - EPA verified technologies or certified engine configurations
 - California Air Resources Board (CARB) verified technologies or certified engines
 - Idle-reduction technologies that are EPA verified
 - Early engine, vehicle, or equipment replacements with certified engine configurations
- Eligible Entities
 - Regional, state, local, tribal or port agency with jurisdiction over transportation or air quality; and
 - Nonprofit organization or institution which represents or provides pollution reduction or educational services to persons or organizations that operate diesel fleets; or has, as its principal purpose, the promotion of transportation or air quality
 - **For-profits and individuals can benefit through partnerships with eligible entities (ex. American Lung Association)**



**Notice of Funding
Opportunity is
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**Ongoing bipartisan
effort to reauthorize
DERA through
FY2029**

[**epa.gov/dera**](https://epa.gov/dera)

G&D Integrated – NTDE + B20



Questions?

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