



National Biodiesel Board	National Biodiesel Board
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Dear Member of Congress:

We are writing regarding the urgent need for a seamless extension of the biodiesel tax incentive before it expires on December 31, 2011. Expiration of this tax incentive will jeopardize the more than 31,000 jobs that are currently supported by the domestic biodiesel industry.

In its short history, the U.S. biodiesel tax incentive has achieved its desired goal of increasing the domestic production of a clean-burning, renewable fuel while generating jobs, reducing America's reliance on foreign oil and improving the environment.

Since it was implemented in 2005, the incentive has played a critical role in allowing the U.S. to reach commercial-scale production of biodiesel. In 2004, the year before the incentive was implemented, the U.S. produced 25 million gallons of biodiesel. This year the industry is on pace for record production of at least 800 million gallons and will support more than 31,000 jobs across the country while generating some \$628 million in federal, state and local tax revenues, according to a recent economic study.

The growth is to be applauded, but it should not cloud the fact that biodiesel remains a young and vulnerable industry. In fact, we know all too well what could happen if Congress allows the tax incentive to lapse. When that happened in 2010, the result was predictable: production plummeted, plants closed and thousands of people across the country lost work. After the tax credit was reinstated this year the industry began ramping up production again.

Now, as much as ever, the biodiesel industry needs stability and support to continue its remarkable success story. We appreciate your attention to this time sensitive issue, and would again urge you to make every effort to ensure that the tax incentive – which applies to biodiesel, renewable diesel, and bio-jet fuels – is extended prior to its scheduled expiration on December 31, 2011.

Sincerely,

American Farm Bureau Federation (AFBF)
American Soybean Association (ASA)
American Trucking Association (ATA)
National Biodiesel Board (NBB)
NATSO, Representing America's Travel Plazas and Truckstops
Petroleum Marketers Association of America (PMAA)
U.S. Canola Association (USCA)

