

One Big Beautiful Bill Act Fact Sheet

The One Big Beautiful Bill Act (OBBBA) was signed into law on July 4, 2025. While the bill contains many tax provisions, this document focuses on the portions most impactful to natural gas and hydrogen motor fueled vehicles.



Clean Fuel Production Credit (§45Z)

- Retained and expanded.
- Fuel must be sold by December 31, 2029; previously expired after December 31, 2027.
- Provides up to and possibly more than a \$1 credit to the producer of low-carbon fuels for each gallon produced.
- To be considered low carbon, the fuel must have a carbon intensity of less than 50kg per MMBtu or roughly a CI of 47.39 g/mj.
- Directs the Secretary of the Treasury to establish distinct manure-specific emission rates for fuel produced after December 31, 2025.
- While the statute includes a negative emission rate prohibition, transportation fuels derived from animal manures (RNG) are exempted from the prohibition and can be negative.
- Provides Secretary authority to issue further guidance on sales to unrelated persons for fact patterns not already spelled out in statute.
- Transferability remains intact for 45Z but is subject to Foreign Entity of Concern restrictions.
- Prohibits foreign feedstocks, other than from Mexico and Canada.

Alternative Fuel Vehicle Refueling Property Credit (§30C)

- Retained though timeframe reduced.
- Expires after June 30, 2026 for property placed in service after that date; previously expired after December 31, 2032.
- Up to \$100,000 credit per item (fuel dispenser, storage, etc.).

Clean Hydrogen Production Credit (§45V)

- Retained though timeframe reduced.
- Facilities must begin construction before January 1, 2028; previously required construction to begin prior to January 1, 2033.
- Provides a credit of up to \$3 for each kilogram of qualified clean hydrogen by a taxpayer at a qualified clean hydrogen production facility.

Investment Tax Credit (§48)

- Sec. 48 credit for capital investment in equipment including biogas equipment.
- Credit 2-6% or 10-30% if meet prevailing wages and apprenticeship requirements.
- This provision was not extended through OBBB, so construction must have begun by December 31, 2024 to qualify.
- No restriction on claiming ITC and 45Z Clean Fuel Production Tax Credit.



One Big Beautiful Bill Act Fact Sheet

Other Business Tax Considerations

Research & Development (§ 174)

- Allows permanent expensing rather than a 5-year amortization period for domestic R&D amounts paid or incurred in tax years beginning after December 31, 2024.
- Small business taxpayers (annual gross receipts of \$31 million or less) are generally permitted to apply this change retroactively to tax years beginning after December 31, 2021.
- All taxpayers that incurred domestic R&D expenses after December 31, 2021, and January 1, 2025, are permitted to elect to accelerate the remaining deductions for such expenditures over a one- or two-year period.

Bonus Depreciation (§ 168)

- Allows 100% bonus depreciation on a permanent basis for qualified property acquired and placed in service on or after January 19, 2025.

Other than tax policy, OBBB included these provisions that may affect the trucking industry

Sec. 60003 Rescission of Funds

- Rescinds all unobligated Diesel Emissions Reduction Act (DERA) program funds from the Inflation Reduction Act.
- Originally \$60 million.

Sec. 40006 CAFE Standards

- Repeals all civil penalties for violating NHTSA's Corporate Average Fuel Economy (CAFE) standards.

Additional Resources

[Bill Text](#)

[BGR Group Executive Summary](#)

[Washington Council EY Analysis](#)

[Comprehensive Analysis by Holland & Knight](#)