SHORT LINE RAILROADS AND NGVAMERICA TO HOST CONGRESSIONAL TAX AIDES TO EXPLAIN IMPORTANCE OF REINSTATING EXPIRED TAX EXTENDERS

WASHINGTON – March 15, 2019 – Today, the American Short Line and Regional Railroad Association (ASLRRA) and Natural Gas Vehicles for America (NGVAmerica) will be on the Hill to host Congressional tax aides for a “lunch and learn” to discuss the impact that expired tax extenders including provisions dealing with alternative fuels, clean transportation, and infrastructure investment, among others, have on businesses and taxpayers.

Small business railroads since 2005 have relied on the Short Line Tax Credit (45G) to elevate their ability to invest in rehabilitation of short line rail, which provides the critical first and last mile of the U.S. freight rail system and ensures that small town and rural American is connected to the U.S. economy.

The extenders also include the Alternative Fuel Tax Credit (AFTC), a credit of $0.50 per gasoline gallon equivalent (GGE) of certain transportation fuels, including natural gas, liquefied petroleum gas, P Series Fuels, liquefied hydrogen and others. Extending the AFTC retroactively
for 2018 and prospectively for 2019 will allow businesses and customers to continue to deploy cleaner alternative fuel technologies.

“The right tax policy can be enormously beneficial to the American economy by incentivizing the capital investment businesses need to grow, innovate and create jobs. Those benefits are significantly reduced when tax policy starts and stops in a temporary short-term fashion. Forward planning is impossible and expensive multi-year projects are difficult to undertake,” said Chuck Baker, President of ASLRRA. “For 12 years the short line tax credit has proven its worth. It has maximized capital investment by both railroads and customers, it has significantly improved competitive rail service for shippers, it has helped improve railroad safety and it has been the difference between piecemeal and corridor improvements. Like the Alternative Fuel Tax Credit, it has worked as intended and when you find something that works, the best thing to do is let it work.”

“It’s important for Congress to understand the impact these tax extenders have on the transportation industry and, ultimately, our environment,” said Dan Gage, President of NGVAmerica. “If Congress is serious about preserving our environment, we need to make sure that the technologies working towards a cleaner climate have a level playing field. We’re thrilled to be joined by the ASLRRA in urging Congress to extend these tax credits as soon as possible, particularly with filing season upon us.”

Last month, Senators Chuck Grassley and Ron Wyden introduced legislation, the Tax Extender and Disaster Relief Act of 2019, which would retroactively extend through this year tax provisions that expired at the end of 2017 and 2018. On Tuesday March 12, the House Ways and Means Subcommittee on Select Revenues held a hearing on temporary tax provisions, but no extender legislation has been introduced in the House. ASLRRA and NGVAmerica both strongly urge that Congress pass legislation to create predictability for investment decisions by extending these credits as soon as possible.
About ASLRRA - The American Short Line and Regional Railroad Association (ASLRRA) is a non-profit trade association representing the interests of the nation’s 600 short line and regional railroads and railroad supply company members in legislative and regulatory matters. Short lines operate 47,500 miles of track in 49 states, touching in origination or termination one out of every five cars moving on the national railroad system, serving customers who otherwise would be cut off from the national railroad network.

NGVAmerica is a national organization of over 200 companies and organizations dedicated to the development of a growing, profitable, and sustainable market for vehicles, ships and carriers powered by natural gas or biomethane. NGVAmerica member companies produce, distribute, and market natural gas and biomethane across North America, manufacture and service natural gas vehicles, engines, and equipment, and operate fleets powered by clean-burning gaseous fuels. Find out more at: www.ngvamerica.org.