



## **American Biomass Energy Association**

### **Statement by ABEA on the 45Y and 48E Final Rule**

*Washington, DC – January 8, 2025* – Yesterday, the Biden Administration released its final rule for eligibility in the 45Y and 48E tax credit programs, which were included in the Inflation Reduction Act to replace the Section 45 production tax credits and Section 48 investment tax credits.

The American Biomass Energy Association (ABEA) released the following statement by executive director Carrie Annand in response to the final rule:

"We are simply dismayed by the Biden Administration's final rule for 45Y and 48E tax credits. The final rule functionally removes biomass eligibility from a program that we have participated in since 2004. This bill, which originated in Sen. Wyden's office, was intended to be a 'tech-neutral' tax credit for zero emissions technologies based on a lifecycle analysis. What is 'tech neutral' about questioning eligibility for biomass, which meets this criteria and has relied on the PTC and ITC for the last 20 years?

"In its last Appropriations bill and in every Appropriations bill since 2018, Congress has directed the federal government to consider biomass a carbon neutral energy source. The final rule for 45Y and 48E disregards the will of Congress.

"Our members utilize otherwise unusable materials from the forestry and agricultural sectors to generate renewable energy, supporting livelihoods in rural America and helping to reduce wildfire risk. Biomass is among the few renewable energy sources that supply 'baseload' 24/7 electricity to the grid. With an ever-increasing 24/7 energy demand, it defies common sense to disincentivize baseload renewables like biomass.

"We look forward to working with President Trump and the 119th Congress to make this right."

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