



IOWA
Biodiesel
B O A R D

IOWA BIODIESEL DAY ON THE HILL 2019

IOWA'S POLICIES DELIVER

Iowa's comprehensive state policies foster biodiesel production and use, including the following:

- ✓ Retailer Credit
- ✓ Fuel Tax Differential
- ✓ Production Credit
- ✓ Renewable Fuels Infrastructure Program

These policies have worked as intended! Growth in both production and use shows the positive effect of these smart energy policies on Iowa's fuel supply, economy and environment.



BY THE NUMBERS:

- **365 MILLION GALLONS:** The estimated biodiesel production in Iowa, which leads the nation.
- **4,690:** The number of full-time equivalent jobs supported by biodiesel in Iowa (ABF Economics).
- **126%:** The increase in the number of Iowa retailers (539 in 2017) carrying biodiesel since 2010 (Iowa Dept. of Revenue).
- **51%:** The percentage of diesel gallons sold in the state which contain biodiesel (2017, Iowa DOR).
- **4-TO-1:** The return on investment for Iowa taxpayers for the Iowa Renewable Fuels Infrastructure Program since 2006.
- **\$568 MILLION:** Biodiesel's estimated contribution in 2018 to Iowa's gross domestic product (ABF Economics).



IOWA'S LEGISLATIVE PILLARS OF SUCCESS:

✓ BIODIESEL RETAILER CREDITS

- Retailers carrying 5 percent biodiesel (B5) = 3.5 cents-per-gallon incentive (Sunset 2025).
- Retailers carrying B11 or higher = 5.5 cents-per-gallon incentive (Sunset 2025).



✓ B11 FUEL TAX DIFFERENTIAL

- A 3-cent differential in fuel tax for blends of 11 percent or higher (Sunset 2020).

✓ BIODIESEL PRODUCTION CREDIT

- Incentive of 2 cents-per-gallon for in-state production (Sunset 2025).

✓ A FULLY FUNDED RENEWABLE FUELS INFRASTRUCTURE PROGRAM

- \$3 million annually for biodiesel and ethanol, through the Rebuild Iowa Infrastructure Fund.
- Helps upgrade petroleum equipment to grow renewable fuel availability in Iowa.
- Provides funding to IDALS for fuel testing.

FEDERAL POLICY UNKNOWNNS

State policy helps Iowa capture the economic benefits of successful federal policies - while helping to shield its industry from uncertainty. This includes the federal biodiesel tax incentive, the Renewable Fuel Standard and fair-trade issues.

BIODIESEL BASICS

- Iowa is the leading biodiesel-producing state, with 11 plants making 365 million gallons (est.) in 2018
- Iowa biodiesel production supports:
 - o 4,690 jobs (FT equivalent)
 - o \$568 million GDP
 - o \$307 million household income (2018, ABF Economics research)
- Biodiesel production adds 63 cents per bushel to the price of soybeans while lowering the price of soybean meal for Iowa livestock growers and supports a more affordable food supply. (Informa Economics)

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