

**Support the one year extension of the Section 45 tax credit for existing facilities
in the Senate version of HR 4213.**

- Since 2004, forest products companies have been eligible to receive a similar “Section 45” renewable energy tax credit as wind, solar and geothermal producers when they sell electricity generated by renewable biomass to third parties.
- The forest products industry is a national leader in renewable energy because of its efficient use of its raw material—wood, a renewable, recyclable and reusable resource.
- Wood biomass is used to both manufacture paper and building products, and generates energy that can be sold to a third party or power manufacturing facilities.
- The 2004 expansion of the Section 45 credit was intended to encourage investments in biomass power production, to level the playing field between biomass and other renewable energy sources, and to reduce the country’s reliance on fossil fuels.
- The 5 year credit period for existing biomass facilities expired on December 31, 2009.
- Extension of the provision was not included in the original House-passed tax extenders package but it was included in the Senate tax extenders package.
- Extending the period for another year would allow existing biomass facilities to receive the same credit that other facilities receive.
- The extension of Section 45 will support existing jobs and will encourage future renewable energy projects at our manufacturing facilities. *This will translate into jobs preserved and jobs created.*
- The Joint Committee on Tax has scored the one year extension at \$105 million.
- We urge Congress not to pick winners and losers in the renewable energy debate and to maintain the extension for existing facilities in the final tax extenders bill.