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FCHEA Applauds Introduction of Comprehensive Fuel Cell Tax Bill

Bipartisan Legislation Helps Stabilize Market for Customers and Industry

WASHINGTON, DC – September 19, 2015 – The Fuel Cell and Hydrogen Energy Association (FCHEA) welcomes the introduction of the Fuel Cell Tax Extenders Act of 2015 (HR 3571), a bipartisan bill that provides more equitable tax rules for fuel cell and hydrogen technologies by temporarily extending incentives that have expired or are about to expire. The bill was introduced by Congressmen John Larson (D-CT), Chris Gibson (R-NY), and Paul Tonko (D-NY).

Fuel cells use hydrogen to generate electricity through a chemical reaction, not combustion, so they are highly efficient and emission-free. Hydrogen can come from many sources including renewable energy and fossil fuels. Fuel cells are unique among other clean energy solutions because they serve a number of different applications in transportation, stationary and distributed power, portable energy and material handling.

“Fuel cell technology continues to grow and improve, supporting thousands of jobs and supplying clean energy to more and more Americans,” said Larson. “Extending incentives for businesses, homeowners, or those purchasing new cars will make it easier to develop and use fuel cell and hydrogen technology—and provide the certainty that such investments remain affordable and accessible for all. These incentives are already in place. As the technology continues to improve, it just makes sense to ensure more Americans have access to this clean, affordable energy.”

“Fuel cells are a critical component of our efforts to reduce our dependency on fossil fuels and lower energy costs,” said Congressman Gibson. “I am delighted to help remove barriers to growing this industry and creating more jobs in the clean energy field through this bipartisan bill. Members of the Fuel Cell and Hydrogen Energy Association are leading the way to making these important technologies accessible to businesses and consumers across the country, and I deeply appreciate their hard work and innovation.”

"Fuel cell technology has gained widespread traction because of the efficiency and productivity gains that are realized. This is something everyone can get on board with," said Rep. Paul Tonko (NY-20), a co-sponsor of the bill. "This legislation extends a critical and robust tax credit that will provide the incentive

for large scale conversions to this clean technology at manufacturing and distribution centers across the country, which will ultimately lead to new jobs. I thank Congressman Larson for his commitment to encouraging innovation and making energy efficiency our fuel of choice."

The new bill provides companies and customers with clear rules to help with short and mid-term planning. The legislation also provides parity with other clean energy technologies by reinstating tax incentives for fuel cell electric vehicles (FCEVs) and hydrogen infrastructure that expired in 2014. With three automobile manufacturers planning to introduce FCEVs by 2016, renewing the incentives for at least five years is critical to the deployment of these zero-emission vehicles. Furthermore, without these incentives, the tax code will continue to unfairly favor battery electric vehicles (BEVs) over FCEVs.

The legislation also extends the investment tax credit (ITC) for fuel cell stationary power systems and material handling equipment that expire at the end of 2016.

"For all these reasons, we are grateful to Congressmen Larson, Gibson and Tonko for introducing this important legislation," said Morry Markowitz, FCHEA President. "The bill prevents market disruption by providing fuel cell and hydrogen energy customers and the industry with the tax policy certainty required for continued growth, the generation of high tech jobs and the provision of clean energy solutions for our nation. We look forward to working with the sponsors and other legislators to help pass this bill."

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