

119TH CONGRESS  
1ST SESSION

# H. R. 2932

To amend the Internal Revenue Code of 1986 to establish a tax credit for the production of aviation gasoline that is free of tetra-ethyl-lead.

---

## IN THE HOUSE OF REPRESENTATIVES

APRIL 17, 2025

Mr. GARCIA of California (for himself and Mr. OBERNOLTE) introduced the following bill; which was referred to the Committee on Ways and Means

---

## A BILL

To amend the Internal Revenue Code of 1986 to establish a tax credit for the production of aviation gasoline that is free of tetra-ethyl-lead.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Cutting Lead Exposure  
5       and Aviation Relief Skies Act” or the “CLEAR Skies  
6       Act”.

7       **SEC. 2. AVIATION GASOLINE PRODUCTION CREDIT.**

8       (a) IN GENERAL.—Subpart D of part IV of sub-  
9       chapter A of chapter 1 of the Internal Revenue Code of

1 1986 is amended by adding at the end the following new  
 2 section:

3 **“SEC. 45BB. AVIATION GASOLINE PRODUCTION CREDIT.**

4 “(a) AMOUNT OF CREDIT.—

5 “(1) IN GENERAL.—For purposes of section 38,  
 6 the aviation gasoline production credit determined  
 7 under this section for the taxable year is an amount  
 8 equal to the product of—

9 “(A) the number of gallons of qualified  
 10 aviation gasoline produced by the taxpayer and  
 11 sold by the taxpayer in the manner described in  
 12 paragraph (5) during the taxable year, multi-  
 13 plied by

14 “(B) the applicable amount with respect to  
 15 such gasoline.

16 “(2) APPLICABLE AMOUNT.—The applicable  
 17 amount under this paragraph is equal to—

18 “(A) in the case of qualified aviation gaso-  
 19 line sold during calendar year 2026, \$1.25,

20 “(B) in the case of qualified aviation gaso-  
 21 line sold during calendar year 2027, \$1.20,

22 “(C) in the case of qualified aviation gaso-  
 23 line sold during calendar year 2028, \$1.15,

24 “(D) in the case of qualified aviation gaso-  
 25 line sold during calendar year 2029, \$1.10, and

1           “(E) in the case of qualified aviation gaso-  
2           line sold during calendar year 2030, \$1.05.

3           “(3) QUALIFIED AVIATION GASOLINE.—For  
4           purposes of this section, the term ‘qualified aviation  
5           gasoline’ means aviation gasoline—

6           “(A) which is—

7                   “(i) defined in section 436.101 of title  
8                   10, Code of Federal Regulations,

9                   “(ii) free from tetra-ethyl-lead, and

10                  “(iii) produced by the taxpayer in the  
11                  United States,

12           “(B) which meets the requirements of any  
13           aviation fuel standards promulgated pursuant  
14           to section 44714 of title 49, United States  
15           Code, and

16           “(C) the transfer of which to the fuel tank  
17           of an aircraft occurs in the United States.

18           “(4) SALE.—For purposes of paragraph (1),  
19           the qualified aviation gasoline is sold in a manner  
20           described in this paragraph if such gasoline is sold  
21           by the taxpayer to an unrelated person—

22           “(A) for use by such person in a trade or  
23           business, or

1                   “(B) who sells such fuel at retail to an-  
2                   other person and places such fuel in the fuel  
3                   tank of such other person.

4           “(b) REGISTRATION OF QUALIFIED AVIATION GASO-  
5 LINE PRODUCERS.—No credit shall be allowed under this  
6 section with respect to any aviation gasoline unless the  
7 producer of such fuel—

8                   “(1) is registered with the Secretary under sec-  
9                   tion 4101, and

10                   “(2) provides certification (in such form or  
11                   manner as the Secretary shall prescribe after con-  
12                   sultation with the Secretary of Transportation) dem-  
13                   onstrating that such gasoline is qualified aviation  
14                   gasoline.

15           “(c) REGULATIONS AND GUIDANCE.—Not later than  
16 180 days after the date of the enactment of this section,  
17 the Secretary shall, after consultation with the Secretary  
18 of Transportation, prescribe such regulations and guid-  
19 ance as are necessary to carry out the purposes of this  
20 section.

21           “(d) TERMINATION.—This section shall not apply to  
22 any sale after December 31, 2030.”.

23           (b) CREDIT MADE PART OF GENERAL BUSINESS  
24 CREDIT.—Section 38(b) of such Code is amended by strik-  
25 ing “plus” at the end of paragraph (40), by striking the

1 period at the end of paragraph (41) and inserting “, plus”,  
2 and by inserting after paragraph (41) the following new  
3 paragraph:

4 “(42) the aviation gasoline production credit  
5 determined under section 45BB.”.

6 (c) CERTIFICATION OF PRODUCERS.—Section  
7 4101(a)(1) of such Code is amended by striking “and  
8 every person producing second generation biofuel (as de-  
9 fined in section 40(b)(6)(E))” and inserting “every person  
10 producing second generation biofuel (as defined in section  
11 40(b)(6)(E)), and every person producing qualified avia-  
12 tion gasoline (as defined in section 45BB(a)(4))”.

13 (d) QUALIFIED AVIATION GASOLINE TAXED AS AVIA-  
14 TION GASOLINE.—Section 4081(a)(2)(A)(ii) of such Code  
15 is amended by inserting “(including qualified aviation gas-  
16 oline as defined in section 45BB(a)(4))” after “aviation  
17 gasoline”.

18 (e) CLERICAL AMENDMENT.—The table of sections  
19 for subpart D of subchapter A of chapter 1 of such Code  
20 is amended by inserting after the item relating to section  
21 45AA the following new item:

“Sec. 45BB. Aviation gasoline credit.”.

22 (f) EFFECTIVE DATE.—The amendments made by  
23 this section shall apply to fuel sold or used after December  
24 31, 2025.

1 **SEC. 3. GAO STUDY.**

2 (a) STUDY.—The Comptroller General of the United  
3 States shall carry out a study relating to the price of un-  
4 leaded aviation gas, including—

5 (1) the price differential of leaded aviation gas  
6 at the consumer point of sale as compared with un-  
7 leaded aviation gas, including unleaded aviation gas  
8 at different octane levels,

9 (2) the major drivers of the price differential  
10 between leaded and unleaded gas, including research  
11 and development, refining, transportation and deliv-  
12 ery and storage,

13 (3) whether the aviation gasoline credit under  
14 section 45BB of the Internal Revenue Code of 1986  
15 (as added by section 1) results in cost savings that  
16 are passed along to the end-user consumer,

17 (4) recommendations, if any, for changes to  
18 such credit to ensure the highest amount of cost sav-  
19 ings is passed along to the end-user consumer, and

20 (5) the amount and percentage of unleaded  
21 aviation gas in the overall aviation gas market and  
22 future market projections for such amount and per-  
23 centage.

24 (b) REPORT.—Not later than one year after the date  
25 of the enactment of this Act, the Comptroller General of  
26 the United States shall issue a report to Congress describ-

- 1 ing the findings and determinations made in carrying out
- 2 the study required under subsection (a).

