

119TH CONGRESS  
2D SESSION

# S. 4408

To amend the Internal Revenue Code of 1986 to extend biodiesel and renewable diesel incentives, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

APRIL 28, 2026

Mrs. BLACKBURN introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To amend the Internal Revenue Code of 1986 to extend biodiesel and renewable diesel incentives, and for other purposes.

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 “Supporting Energy  
5 and Economic Development (SEED) Act”.

6 **SEC. 2. EXTENSION OF BIODIESEL AND RENEWABLE DIE-**  
7 **SEL INCENTIVES.**

8 (a) INCOME TAX CREDIT.—

1           (1) EXTENSION OF BIODIESEL MIXTURE CRED-  
 2 IT AND BIODIESEL CREDIT.—Section 40A(g) of the  
 3 Internal Revenue Code of 1986 is amended—

4           (A) by striking “shall not apply to any sale  
 5 or use after December 31, 2024 (or, in the  
 6 case” and inserting “shall not apply to—  
 7 “(2) in the case”, and

8           (B) by striking “).” at the end and insert-  
 9 ing “, or  
 10 “(2) in any other case, any sale or use—

11           “(A) after December 31, 2024, and before  
 12 the date of the enactment of the Supporting  
 13 Energy and Economic Development (SEED)  
 14 Act, or

15           “(B) after December 31, 2029.”.

16           (2) DENIAL OF DOUBLE BENEFIT.—

17           (A) IN GENERAL.—Section 40A(c) of such  
 18 Code is amended—

19           (i) by striking “The amount” and in-  
 20 serting the following:

21           “(1) EXCISE TAX CREDIT.—The amount”, and

22           (ii) by adding at the end the fol-  
 23 lowing:

24           “(2) CLEAN FUEL PRODUCTION CREDIT.—In  
 25 the case of any fuel with respect to which a credit

1 is allowed under section 45Z(a) for any taxable year,  
 2 the amount determined under this section with re-  
 3 spect to such fuel shall be zero.”.

4 (b) EXCISE TAX INCENTIVES.—

5 (1) CREDIT FOR FUELS USED FOR TAXABLE  
 6 PURPOSES.—

7 (A) IN GENERAL.—Section 6426(c)(6) of  
 8 the Internal Revenue Code of 1986 is amended  
 9 by striking “for any period after December 31,  
 10 2024.” and inserting “for any period—

11 “(A) after December 31, 2024, and before  
 12 the date of the enactment of the Supporting  
 13 Energy and Economic Development (SEED)  
 14 Act , or

15 “(B) after the December 31, 2029.”.

16 (B) DENIAL OF DOUBLE BENEFIT.—Sec-  
 17 tion 45Z(f) of such Code is amended by adding  
 18 at the end the following new paragraph:

19 “(9) COORDINATION WITH EXCISE TAX CREDIT  
 20 FOR BIODIESEL MIXTURES.—No credit shall be al-  
 21 lowed under this section for any fuel if a credit is  
 22 allowed with respect to such fuel by reason of the  
 23 application of section 6426(c) or 6427(e).”.

24 (2) PAYMENTS FOR FUELS NOT USED FOR TAX-  
 25 ABLE PURPOSES.—Section 6427(e)(6)(B) of such

1 Code is amended by striking “sold or used after De-  
2 cember 31, 2024,” and inserting “sold or used—

3 “(i) after December 31, 2024, and be-  
4 fore the date of the enactment of the Sup-  
5 porting Energy and Economic Develop-  
6 ment (SEED) Act , or

7 “(ii) after the December 31, 2029.”.

8 (c) EFFECTIVE DATE.—The amendments made by  
9 this section shall apply to fuel sold or used on or after  
10 the date of the enactment of this Act.

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