

119TH CONGRESS
2D SESSION

S. 4657

To amend the Internal Revenue Code of 1986 to repeal the excise tax on heavy trucks and trailers, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JUNE 2, 2026

Mr. YOUNG (for himself and Ms. ALSOBROOKS) introduced the following bill;
which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to repeal the excise tax on heavy trucks and trailers, 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 “Modern, Clean, and
5 Safe Trucks Act of 2026”.

6 **SEC. 2. FINDINGS.**

7 Congress finds that—

8 (1) the 12-percent Federal retail excise tax on
9 all new heavy trucks, tractors, and trailers, coupled
10 with new regulatory mandates, significantly in-

1 creases the cost of new heavy-duty trucks, tractors,
2 and trailers and discourages the replacement of
3 older, less environmentally clean and less fuel eco-
4 nomical vehicles;

5 (2) this 12-percent Federal retail excise tax is
6 the highest percentage rate of any Federal ad valo-
7 rem excise tax;

8 (3) the Federal excise tax was first levied by
9 Congress in 1917 to help finance America's involve-
10 ment in World War I;

11 (4) the 12-percent Federal retail excise tax rou-
12 tinely adds \$7,000 or more to the cost of new trail-
13 ers, \$20,000 or more for new clean diesel trucks,
14 and as much as \$50,000 to the next generation of
15 trucks with advanced engine technologies;

16 (5) nearly 34 percent of the Class 8 trucks on
17 the road are pre-MY2010 trucks and lack more than
18 a decade of environmental and safety technological
19 advancements;

20 (6) from 2011 through 2030, this generation of
21 diesels will save approximately 1,300,000,000 tons
22 of carbon dioxide emissions and 130,000,000,000
23 gallons of fuel, while yielding cumulative savings of
24 1,000,000 tons of particulate matter and 18,000,000
25 tons of nitrogen oxide;

1 (7) an owner of a single Class 8 truck powered
2 by the latest clean diesel engine can expect to save
3 about 2,200 gallons of fuel each year compared to
4 previous generations of technology;

5 (8) since the late 1990s, cleaner fuel and ad-
6 vanced engines have combined to reduce nitrogen
7 oxide (NO_x) emissions and particulate matter (PM)
8 emissions by 98 percent;

9 (9) 60 trucks manufactured today emit the
10 same amount as 1 truck manufactured in 1988;

11 (10) the Federal excise tax disproportionately
12 impacts electric and alternative-fueled trucks, which
13 currently have a higher up front cost, at a time
14 when adoption of these technologies is needed to ac-
15 celerate the transition to zero emission vehicles and
16 the reduction of carbon pollution from transpor-
17 tation;

18 (11) in 2020, there were approximately
19 1,300,000 United States manufacturing, supplier,
20 dealership, and heavy-duty trucking and trailer re-
21 lated jobs;

22 (12) since the Federal retail excise tax on cer-
23 tain new heavy trucks, tractors, and trailers is based
24 on annual sales, receipts from the tax deposited in
25 the Highway Trust Fund can vary greatly;

1 (13) Congress should consider a more reliable
2 and consistent revenue mechanism to fund the High-
3 way Trust Fund;

4 (14) Congress should advance the deployment
5 of the most modern, clean, and safe trucks through
6 eliminating the Federal excise tax on trucks; and

7 (15) repealing the Federal excise tax would re-
8 sult in the replacement of older internal combustion
9 engine trucks with new heavy duty trucks that em-
10 ploy the latest safety and environmental tech-
11 nologies.

12 **SEC. 3. REPEAL OF EXCISE TAX ON HEAVY TRUCKS AND**
13 **TRAILERS.**

14 (a) IN GENERAL.—Chapter 31 of the Internal Rev-
15 enue Code of 1986 is amended by striking subchapter C
16 (and by striking the item relating to such subchapter from
17 the table of subchapters for such chapter).

18 (b) CONFORMING AMENDMENTS.—

19 (1) Section 4072(c) of such Code is amended to
20 read as follows:

21 “(c) TIRES OF THE TYPE USED ON HIGHWAY VEHI-
22 CLES.—

23 “(1) IN GENERAL.—For purposes of this part,
24 the term ‘tires of the type used on highway vehicles’
25 means tires of the type used on—

1 “(A) motor vehicles which are highway ve-
 2 hicles, or

3 “(B) vehicles of the type used in connec-
 4 tion with motor vehicles which are highway ve-
 5 hicles.

6 “(2) EXCEPTION FOR MOBILE MACHINERY.—

7 “(A) IN GENERAL.—Such term shall not
 8 include tires of a type used exclusively on mo-
 9 bile machinery.

10 “(B) MOBILE MACHINERY.—For purposes
 11 of subparagraph (A), the term ‘mobile machin-
 12 ery’ means any vehicle which consists of a chas-
 13 sis—

14 “(i) to which there has been perma-
 15 nently mounted (by welding, bolting, riv-
 16 eting, or other means) machinery or equip-
 17 ment to perform a construction, manufac-
 18 turing, processing, farming, mining, drill-
 19 ing, timbering, or similar operation if the
 20 operation of the machinery or equipment is
 21 unrelated to transportation on or off the
 22 public highways,

23 “(ii) which has been specially designed
 24 to serve only as a mobile carriage and
 25 mount (and a power source, where applica-

ble) for the particular machinery or equipment involved, whether or not such machinery or equipment is in operation, and

“(iii) which, by reason of such special design, could not, without substantial structural modification, be used as a component of a vehicle designed to perform a function of transporting any load other than that particular machinery or equipment or similar machinery or equipment requiring such a specially designed chassis.”.

(2) Section 4221 of such Code is amended—

(A) in subsection (a)—

(i) by striking “(or under subchapter C of chapter 31 on the first retail sale)”, and

(ii) by striking “4051 or”,

(B) in subsection (c), by striking “and in the case of any article sold free of tax under section 4053(6),”, and

(C) in subsection (d)(1), by striking “, and, in the case of the taxes imposed by subchapter C of chapter 31, includes the retailer with respect to the first retail sale”.

1 (3) Section 4222(d) of such Code is amended
2 by striking “4053(6),”.

3 (4) Section 4293 of such Code is amended by
4 striking “section 4051,”.

5 (5) Section 4483(g) of such Code is amended
6 by striking “section 4053(8)” and inserting “section
7 4072(c)(2)”.

8 (6) Section 6416(b)(2) of such Code is amend-
9 ed by striking “or under section 4051”.

10 (7) Section 6416(b) of such Code is amended
11 by striking paragraph (6).

12 (8) Section 9503(b)(1) of such Code is amend-
13 ed by striking subparagraph (B) and by redesignig-
14 nating subparagraphs (C), (D), and (E) as subpara-
15 graphs (B), (C), and (D), respectively.

16 (c) EFFECTIVE DATE.—The amendments made by
17 this section shall apply to sales and installations on or
18 after the date of the enactment of this Act.

○