

BTEC Applauds Introduction of BTU Act in House and Senate

February 28, 2019 – WASHINGTON – The Biomass Thermal Energy Council (BTEC) applauds the introduction of the Biomass Thermal Utilization Act (BTU Act) of 2019 in the House by Rep. Peter Welch (D-VT) and Rep. Mike Kelly (R-PA) and in the Senate by Sen. Angus King (I-ME) and Sen. Susan Collins (R-ME). The BTU Act provides an investment tax credit that already exists for other renewable energy technologies to high-efficiency wood heating installations.

“The BTU Act is a significant step towards achieving parity in tax treatment between modern wood heating and virtually all other renewable energy technologies. We welcome the bipartisan support this bill is achieving from Members of Congress across the country,” said Jeff Serfass, BTEC Executive Director.

The BTU Act amends Section 25D of the tax code to make residential wood heating systems that are at least 75% efficient eligible for the residential renewable energy investment tax credit. It also amends Section 48 of the tax code to offer a two-tiered tax credit for commercial and industrial wood heating installations. Systems with efficiency capabilities of between 65 and 80% are limited to a 15% credit, while systems that operate at efficiency levels greater than 80% are eligible for the full 30% credit.

By making modern wood heating affordable, the BTU Act will expand the market for renewable wood fuel. Using wood for heating strengthens local economies, promotes forest health by creating markets for low grade timber, lowers the risk of wildfires and reduces greenhouse gas (GHG) emissions. The BTU Act will help foster energy security, energy independence and encourages economic development, particularly in rural communities.

The Biomass Thermal Energy Council (BTEC) is an association of 100 biomass fuel producers, appliance manufacturers and distributors, supply chain companies, and non-profit organizations that view biomass thermal energy as a renewable, responsible, clean, and energy-efficient pathway to meeting America's thermal energy needs. BTEC engages in research, education, and public advocacy for the growing biomass thermal energy industry. Learn more online at <http://www.biomassthermal.org>.