



## **Alternative Fuel Mixture Credit**

Authorized by the Energy Policy Act of 2005 and the Safe, Accountable, Flexible, Efficient Transportation Equity Act. Refer to IRS Code Section 6426 of the Internal Revenue Code for details.

Valley Proteins' alternative fuel mixture is a mixture of animal fat and 0.1% (by volume) taxed diesel fuel per IRS Code Section 6426.

The Alternative Fuel Mixture Credit is a \$0.50 per gallon payment from the U S Treasury for each gallon mixed for use or for sale to others. Although it is called a credit, it is, in fact, taxable income to the recipient.

Applicants must file IRS Form 637, Application for Registration, to request IRS approval for the credit. Use care completing Form 637 when selecting one of the many fuel activity codes. Valley Proteins' approved activity code is AM. Please note you must be preapproved to qualify for the credit. After approval, file Form 8849, Claim for Refund of Excise Taxes, to obtain refunds. You must maintain good records of the fuel mixed.

For more information on this credit, please contact your tax advisor.