

May 8, 2025

Senate Taxes Committee
Capitol Room G-15
75 Rev. Dr. Martin Luther King Jr. Blvd.
Saint Paul, MN 55155

Chair Rest, Lead Weber, and Members of the Senate Taxes Committee:

On behalf of the undersigned organizations that represent Minnesota farmers and renewable fuel producers, we write in support of the changes to the Sustainable Aviation Fuel (SAF) credit contained in Article 8 of S.F. 2374, the omnibus tax bill.

The development of a SAF supply chain in Minnesota provides a critical opportunity for our state to build new markets for farmers, reduce carbon emissions from airline travel, create jobs in construction and industrial processing, and promote rural economic development.

The provisions in Article 8 of S.F. 2374 would help unlock increased economic and environmental benefits to our state by:

- Expanding the resource allocation for the SAF tax credit;
- Extending the SAF tax credit through 2035;
- Providing a supplemental SAF tax credit rate for carbon intensity reductions beyond 50 percent; and
- Strengthening eligibility definitions for SAF feedstocks and carbon oxides.

Notably, a broad and diverse set of stakeholders were able to find agreement on language outlining requirements related to domestic feedstock production, the use of clean hydrogen, land conversion for biomass feedstocks, and end-uses of carbon oxides. We appreciate that these compromise provisions have been included in this bill.

These improvements to the SAF tax credit established in 2023 will make the credit more durable and effective, while providing the long-term incentives necessary for scaling up this critically important industry in Minnesota.

Sincerely,

Minnesota Bio-Fuels Association
Minnesota Corn Growers Association
Minnesota Farmers Union

Minnesota Biodiesel Council
Minnesota Farm Bureau Federation
Minnesota Soybean Growers Association