

## MEMORANDUM

**TO:** All House Members  
**FROM:** Representative Paul Costa  
**DATE:** November 10, 2011  
**SUBJECT:** Proposed Legislation - **Natural Gas Tax Credits**

In the near future, I intend to introduce two pieces of legislation that would provide both a tax credit for individuals that purchase a vehicle powered by natural gas fuel and a tax credit for businesses who install natural gas pumps.

My proposal amends the Tax Reform Code of 1971, allowing individuals to claim a tax credit in the amount of \$500 for the purchase of a dedicated compressed natural gas vehicle or dedicated liquefied natural gas vehicle. In addition, I am proposing a similar \$500 tax credit for businesses that install natural gas pumps.

The expanded use of natural gas as a transportation fuel offers the Commonwealth and its residents an opportunity to capitalize on locally produced, Pennsylvania natural gas – offering a clear, clean and cost effective vehicle fuel. As natural gas becomes a more domestically produced commodity and more readily available for use as a transportation fuel, it should reduce our dependence on foreign oil. Doing so will move Pennsylvanians toward energy independence.

If you wish to co-sponsor this legislation, please contact Peggy Kieres in my office at 717-783-1914 or e-mail: [pkieres@pahouse.net](mailto:pkieres@pahouse.net).