

# 45Q Update

## Credit 2008-2018:

- \$20 per metric ton disposed of in secure geologic storage
- \$10 per metric ton used for EOR or EGR in a qualified manner
- Available credits: 75 million Tons

## Updated Credit (included in the February 2018 “Bipartisan Budget Act of 2018”):

- Credit available to qualified facilities for 12 year period
- Applicable Amounts for projects placed in service on after the date of enactment
  - \$50 for secure geologic storage, with the credit increasing annually until the full value is reached in 2026
  - \$35 per metric ton for EOR, EGR, or utilization with the credit increasing annually until the full value is reached in 2026
- Defines qualified Carbon Oxides (CO or CO<sub>2</sub>)
  - Captured from an industrial source or the ambient air
  - Measured at point of capture and verified at the point of disposal/injection/use
  - Excludes gases recaptured during EOR process
- Qualified facilities:
  - Construction must begin by Jan 1, 2024
  - Original planning and design includes carbon capture equipment
  - 25,000 t/CO<sub>2</sub> captured and used or facilities that emit less than 500,000 tons
  - 500,000 t/CO<sub>2</sub> captured for electric generating facilities
- Utilization, including Photo- or chemo-synthesis, chemical conversion, other purposes for which commercial markets exist
- Credit can be claimed by owner of capture equipment or transferred to disposal/use entity