



## Deploy Newer, Cleaner Trucks and Trailers on the Highway Today Repeal the Federal Excise Tax (FET)

### ISSUE

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As Congress considers infrastructure legislation, it should repeal the 12% federal excise tax (FET) on new trucks and trailers. Because of the development of new technology and the implementation of stringent emissions standards, new trucks are drastically reducing the transportation sector's environmental footprint. FET repeal would help modernize America's truck fleet and further reduce emissions by incentivizing the purchase of newer, cleaner trucks to replace older trucks.

New trucks and semi-trailers are not reaching the road fast enough to reap the benefits of emerging green technologies. More than half of the Class 8 trucks on the road today are over 10 years old. **To reduce fuel consumption and slash emissions, Congress should repeal the FET to facilitate the purchase of cleaner, more efficient trucks and trailers, by eliminating the outdated 12% FET on the purchase of new trucks and trailers.**

### BACKGROUND

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The Environmental Protection Agency's and the National Highway Traffic Safety Administration's mandates, which govern greenhouse gas emissions and fuel efficiency (GHG/FE), will apply to all new trucks with standards that become steadily more stringent through 2027 and beyond and ensure continued progress.

Phase 1 of the program established fuel efficiency standards for model-year 2014 through model-year 2018, that alone is expected to save 530 million barrels of oil and reduce carbon dioxide (CO<sub>2</sub>) emissions by 270 million metric tons. Phase 2 will address model-year 2021 and beyond and will further improve upon these improvements, establishing standards that will rely upon the adoption of both currently available technologies and those not yet developed or widely deployed.

Since 2007, the newest generation diesel trucks on U.S. roads have reduced emissions by 126 million metric tons of CO<sub>2</sub>, 18 million metric tons of nitrogen oxides (NO<sub>x</sub>) 1 million metric tons of particulate matter (PM) and saved 12.4 billion gallons of diesel and 296 million barrels of crude oil. Emissions reductions and efficiency improvement standards can be found on the next page.

### KEY POINTS

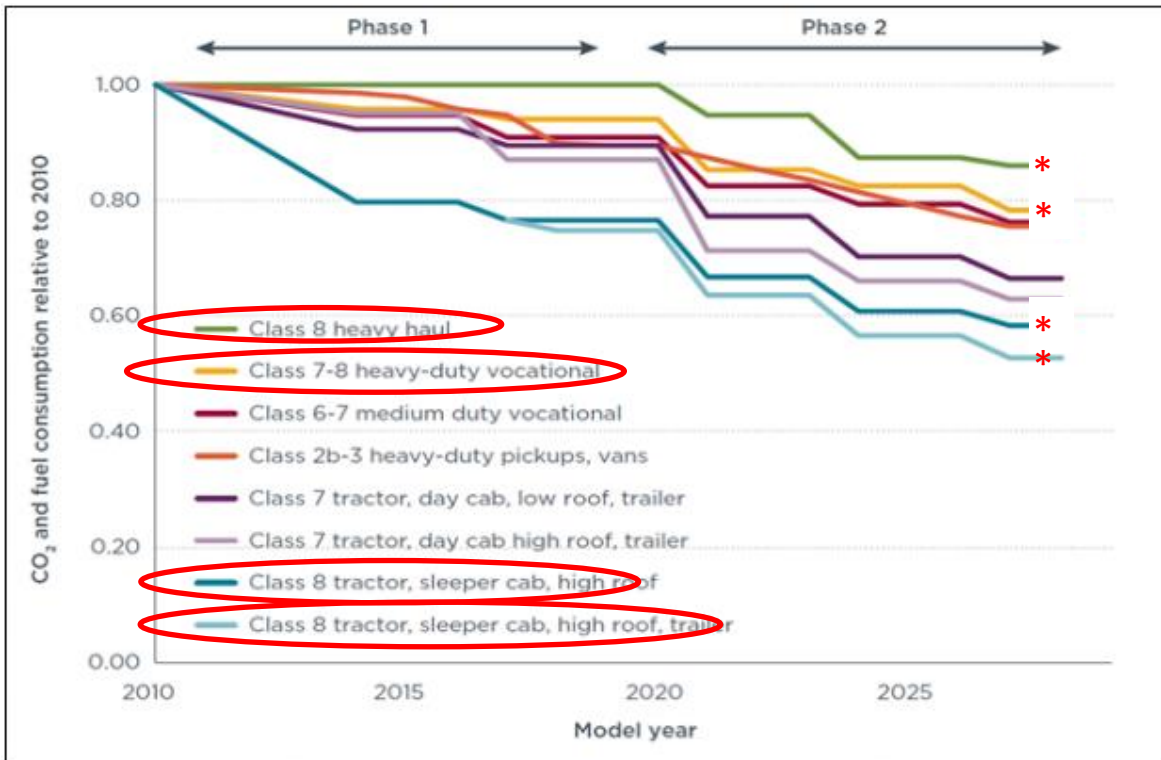
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- **FET repeal would accelerate fleet turnover and new trucks have contributed significantly to environmental quality improvements.** Since 2010, new trucks have achieved significant CO<sub>2</sub> and fuel efficiency improvements. As more than half of the Class 8 trucks on the road today are over 10 years old, repealing the FET would incentivize the purchase of new trucks with the latest emission-reduction technology and crash avoidance advancements to modernize America's trucking fleet.
- **The commercial truck fleet has an outsized impact on the transportation sector.** Trucks consume over 20% of the nation's transportation fuel approximately 22 billion gallons of diesel fuel every year while traveling over 200 billion miles annually. Therefore, small improvements to the truck fleet can yield large results. In fact, the American Lung Association has credited fleet turnover as an integral factor in helping to improve America's air quality.
- **Repealing the 12% FET would quicken the deployment of newer, cleaner trucks and trailers on the road.** For three decades, cleaner fuel and advanced engines have combined to reduce NO<sub>x</sub> emissions by 97% and particulate matter emissions by 98%. To put that in perspective, it would take *60 of today's new trucks* to generate the same level of emissions as a *single truck* manufactured in 1988. New trucks have contributed significantly to environmental quality improvements. For example, a new heavy-duty truck will save about 960 gallons of fuel each year over a model year 1998 truck.

### STATUS

On July 22, Sens. Young (R-Ind.) and Cardin (D-Md.) introduced [S. 2435](#), a bill to repeal the FET. On July 29, Rep. Chris Pappas (D-N.H.) led 30 House Democrats in a [letter](#) to House Democratic leaders in support of repealing and replacing the FET in upcoming infrastructure legislation. **To spur new truck sales, promote the deployment of cleaner and safer trucks, and encourage fleet turnover, members are urged to repeal the FET in upcoming infrastructure legislation.**

# CO<sub>2</sub> and Fuel Efficiency Improvements From Medium- and Heavy-Duty Vehicle Standards



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## New Trucks Have Achieved Near-Zero Emissions

