

To ensure delivery of Legislative Alert, please add 'LegislativeAlert@apta.com' to your email address book. If you are still having problems receiving our newsletter, see our whitelisting page for more details: <http://www.commpartners.com/website/white-listing.htm>



LEGISLATIVE Alert

AMERICAN PUBLIC TRANSPORTATION ASSOCIATION



December 17, 2010

House Passes Tax Bill, Sends to President for Signature - Alternative Fuels Tax Credit and Transit Commuter Benefit will be Extended!

Just before midnight, the House of Representatives passed H.R. 4853, the Middle Class Tax Relief Act of 2010 by a vote of 277 – 148. President Obama is expected to sign the bill into law today. The bill, which extends income tax cuts for all income levels for another two years and unemployment benefits for 13 months, includes extensions of two tax provisions key to the public transportation industry. The Senate approved the measure on Tuesday by a vote of 81-19.

The tax legislation includes an extension of the alternative fuels tax credit for transit properties through December 31, 2011. This provision expired at the end of 2009 and the tax credit will be applied retroactively to cover fuel purchased in 2010. The alternative fuels tax credit allows transit agencies that use compressed natural gas (CNG) and liquefied natural gas (LNG) to receive a 50 cent credit per gallon equivalent tax refund.

The tax bill also extends the transit commuter benefit level established under the American Recovery and Reinvestment Act (ARRA) through January 1, 2012. The transit commuter pre-tax benefit was raised to \$230 per month from \$120, achieving parity with the parking benefit. If Congress had not acted, the transit commuter benefit would have reverted back to \$120 per month on January 1, 2011, effectively raising taxes on employers and transit riders.

APTA thanks all of its members who played a pivotal role in ensuring the enactment of these important provisions by weighing in with their members of Congress. APTA members should contact their members of Congress and thank them for their efforts to advance these tax benefits.

For further information on the alternative fuels and transit commuter benefit tax provisions, please contact Paul Dean of APTA's Government Affairs Department at (202) 496-4887 or pdean@apta.com.

Senate Majority Leader Reid Pulls Omnibus Appropriations Package – Short Term Continuing Resolution (CR) Likely

In the Senate last night, Majority Leader Harry Reid (D-NV) abandoned the effort to pass a \$1.108 trillion dollar omnibus appropriations bill after several Senators, who had initially pledged to vote for the package, withdrew their support. This action ends efforts by Senate Democratic leaders to replace a House passed year-long Continuing Resolution for Fiscal Year (FY) 2011 funds with the Omnibus Appropriations bill.

Along with the FY 2011 Department of Transportation appropriations, the omnibus included an extension to the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) through September 30, 2011 from the expiration of the current extension on December 3, 2010.

Led by Minority Leader Mitch McConnell, several Republicans objected to the bill due to the high cost and the inclusion of more than 6,500 earmarks. With the current CR set to expire at midnight on December 18, the Senate must now choose to accept the full year CR passed by the House, or enact a short-term CR to fund federal programs into the beginning of the next Congress. Yesterday, Minority Leader Mitch McConnell (R-KY) introduced a CR that would run through February 18. At this point, it does not appear the Senate has sufficient votes to approve the full year CR, so the short-term option is likely. If a short-term CR is passed, it would have to go back to the House for final approval. It is unclear at this time whether the CR will include a short-term or long-term extension of surface transportation authorizing law. The Congress is expected to work on the FY 2011 budget through the weekend, with a final resolution possible as late as early next week.

For more information on appropriations, please contact Paul Dean of APTA's Government Affairs Department at (202) 496-1087 or pdean@apta.com.



American Public Transportation Association

[Unsubscribe here](#)

1666 K St., NW. Washington, DC 20006

(202) 496-4800 | www.apta.com