



# TaxNewsFlash

United States

No. 2024-270  
July 10, 2024

## IRS issues FAQs regarding registration for clean fuel production credit

The IRS today issued “frequently asked questions” (FAQs)—[FS-2024-25](#)—related to which entities must apply for registration for the clean fuel production credit.

The IRS release—[IR-2024-184](#)—explains that the FAQs address which entity must apply for registration pursuant to Notice 2024-49, including if the entity producing the clean fuel is a disregarded entity, and also which entity will be able to claim the credit when the registrant is a disregarded entity.

### Background

The “Inflation Reduction Act of 2022” (IRA) added a new income tax credit for clean fuel production, available beginning January 1, 2025. To claim a clean fuel production credit, the taxpayer must be registered as a producer of clean fuel at the time of production.

Notice 2024-49 provides guidance on the registration procedures for the clean fuel production credit, including how to apply for registration and what information a clean fuel producer must submit with its application. Read [TaxNewsFlash](#)

### FAQs

Full text of the FAQs provided in FS-2024-25 are provided below.

#### **Q1. Which entity must apply for registration for purposes of the Clean Fuel Production Credit pursuant to Notice 2024-49? (added July 10, 2024)**

A1. Each business unit that has, or is required to have, a separate employer identification number (EIN) and is a producer of clean fuel is treated as a separate person for registration purposes. Thus, two related business units, each of which has a separate EIN, are two persons, and each must separately apply for registration using Form 637 if they are each producers of clean fuel.

#### **Q2. Does a disregarded entity have to register pursuant to Notice 2024-49? (added July 10, 2024)**

A2. A disregarded entity for income tax purposes that is a producer of clean fuel is not treated as a disregarded entity for purposes of registration for the Clean Fuel Production Credit. Instead, such entity must separately apply for registration using Form 637 if it is a producer of clean fuel.

**Q3. May an entity that is not registered for purposes of the Clean Fuel Production Credit, but that owns a disregarded entity that is registered pursuant to Notice 2024-49, still claim the Clean Fuel Production Credit? (added July 10, 2024)**

A3. Yes. An owner of a disregarded entity that is registered for the Clean Fuel Production Credit pursuant to Notice 2024-49, but that is not itself registered, would be able to claim the Clean Fuel Production Credit using the registration number of the disregarded entity.

[kpmg.com/socialmedia](https://kpmg.com/socialmedia)



The information contained in TaxNewsFlash is not intended to be "written advice concerning one or more Federal tax matters" subject to the requirements of section 10.37(a)(2) of Treasury Department Circular 230, as the content of this document is issued for general informational purposes only, is intended to enhance the reader's knowledge on the matters addressed therein, and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization.

KPMG International Limited is a private English company limited by guarantee and does not provide services to clients. No member firm has any authority to obligate or bind KPMG International or any other member firm vis-à-vis third parties, nor does KPMG International have any such authority to obligate or bind any member firm.

Direct comments, including requests for subscriptions, to [Washington National Tax](#). For more information, contact KPMG's Federal Tax Legislative and Regulatory Services Group at +1 202.533.3712, 1801 K Street NW, Washington, DC 20006-1301.

To unsubscribe from TaxNewsFlash, reply to [Washington National Tax](#).

[Privacy](#) | [Legal](#)