No. 2026-213
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Notice 2026-53: 2026 emissions rates tables for section 45Z clean fuel production credit; guidance on use of manure-derived fuels and regenerative agricultural practices

The IRS today released Notice 2026-53, providing the 2026 emissions rates tables used to calculate the clean fuel production credit under section 45Z and clarifying application of certain amendments to section 45Z made by the "One Big, Beautiful Bill Act" (OBBBA).

Specifically, Notice 2026-53 addresses the establishment of emissions rates for transportation fuel derived from animal manure and also describes how certain regenerative agricultural feedstock practices may be taken into account under section 45Z.

As explained in the related IRS release—IR-2026-108 (September 8, 2026)—the OBBBA amended and extended section 45Z, including making several changes that require technical modeling updates to the 45ZCF-GREET model used to determine emissions rates. The section 45Z proposed regulations (REG-121244-23), which were issued on February 4, 2026, proposed rules implementing the OBBBA changes, including addressing how the annual emissions rate tables work and which table and models a producer must use to determine the emissions rate of a particular fuel.

Notice 2026-53 provides certain technical modeling language used to implement OBBBA-mandated model updates for manure-derived fuels and also addresses how producers must account for OBBBA changes when using the emissions rate table and allowed models. The Department of Energy (DOE) is developing corresponding updates to the 45ZCF-GREET model.

The 45Z proposed regulations indicated that the IRS would provide further guidance on how United States Department of Agriculture (USDA) rules on regenerative agricultural practices will be integrated into the 45ZCF-GREET model once the USDA finalized its rules, which the USDA did on June 29, 2026. Notice 2026-53 provides a safe harbor that will be available for 2025 clean fuel production.

The notice also provides transition rules for applying changes made by the OBBBA when an allowed methodology has not yet been updated to reflect those changes, including rules addressing used cooking oil and other feedstocks. Among other changes, the law:

- Requires emissions rates to exclude emissions attributable to indirect land use change

- Limits eligible transportation fuel to fuel derived exclusively from feedstocks produced or grown in the United States, Mexico or Canada
- Prohibits negative emissions rates, except for transportation fuel derived from animal manure
- Requires distinct emissions rates for transportation fuels derived from specific animal manure feedstocks

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