

**2026 Legislative Priority Proposal**  
**Updated: 9/15/25**

<b>Sustainable Aviation Fuel Tax Credit</b>	
<b>Pitkin County (Commissioner Greg Poschman)</b>	
Preferred Contact:	greg.poschman@pitkincounty.com
Co-Sponsoring Counties/Commissioners:	N/A
Who is your subject matter expert?	Levi Borst - Management Analyst - Pitkin County - 970.309.2330 - levi.borst@pitkincounty.com
Has this proposal been approved by your BoCC?	Yes.
Have you reviewed the CCI Instructional Memo?	Yes.
Describe the problem your proposal will solve.	Colorado should consider a program providing a tax credit for either the production of or consumption of Sustainable Aviation Fuel (SAF).
Areas of Impact:	Functionality of county programs or services; General community advancement; Local/Regional/Statewide economic development.
What is the ultimate source of this problem?	Cost & availability of SAF.
What is your initial proposal to solve this problem?	Support new legislation, or amendments to existing legislation, which would provide tax credit incentives for the production/consumption of SAF designed to be competitive with other states.
Please provide sample language for this solution.	<p>From July 1, 2027, through December 31, 2038, sustainable aviation fuel (SAF) sold to or used by an air common carrier, certified by the carrier to be used in Colorado, earns a Sustainable Aviation Fuel Purchase Credit (SAFPC) in the amount of \$1.50 per whole gallon of SAF purchased. Only that portion of each gallon of aviation fuel that consists of SAF, as defined in Section XYZ, is eligible to earn the credit.</p> <p>For a sale or use of aviation fuel to qualify to earn SAFPC, taxpayers must retain in their books and records a completed copy of Producer Certification of Sustainable Aviation Fuel (SAF) from the producer of the aviation fuel that the aviation fuel sold or used and for which SAFPC was earned meets the definition of sustainable aviation fuel.</p> <p>Purchasers must complete a Sustainable Aviation Fuel Purchase Credit Certification, to certify SAFPC used on a qualifying purchase.</p>

Are there any solutions that do not require state-level legislation? Has your county explored these alternatives?	There is no other mechanism for a tax credit incentive.
Has CCI or any other organizations sought a solution to this problem before?	No.
What possible organization(s) would <b>support</b> your proposed solution?	Airlines with SAF transition goals. Private industry / refineries. Other communities looking to support economic growth - especially in places where existing jobs/industries might be fading. Climate friendly organizations would likely support as well.
What possible organization(s) would <b>oppose</b> your proposed solution?	Fossil fuel-based aviation fuel producers.
Have you spoken with any legislators about your proposed solution? If so, what was their response?	No.
What are the financial implications of this <b>problem</b> to your county?  Are there any financial implications to this <b>solution</b> either?	The direct cost to the county itself is minimal.  Likewise, there are few direct county cost implications to the solution.
What are the financial implications of this <b>problem</b> to any other impacted parties?  What are the financial implications of this <b>solution</b> to any other impacted parties? <i>Please consider any</i>	For practical purposes, SAF is generally cost prohibitive for airlines and general aviation users. As a result, potential producers are not encouraged to install production facilities, or even explore the feasibility of SAF in many cases. For those who do use SAF, it remains wildly expensive, and ships from very long distances.  The largest financial implication of the solution could be the reduction in tax revenue to the State.

relevant Colorado State Departments.	
Staff Feedback	<p>The primary obstacle will be cost and fiscal impact. A \$1.50-per-gallon credit, extended over more than a decade, could amount to tens of millions in foregone revenue depending on uptake. In a budget environment already constrained by structural deficits and TABOR limitations, legislators will be very reluctant to create a long-term, high-dollar tax credit that reduces General Fund flexibility.</p> <p><u>Time Commitment:</u> This proposal would require a significant investment of time and advocacy. Proponents would need to educate legislators on the benefits of SAF, build credibility around climate and economic development arguments, and defend against fiscal critiques in both committee and budget debates. The long credit window (2027–2038) further complicates messaging, as legislators often resist locking the state into extended financial commitments.</p>