



City of Austin

P.O. Box 1088, Austin, TX 78767-1088

**Internal Revenue Service
Room 5203
PO Box 7604
Washington, DC, 20044**

Subject: Notice 2022-50

The City of Austin submits the following comments in response questions 1, 2, 7, and 9 to the US Department of Treasury's request for comments on Elective Payment of Applicable Credits and Transfer of Certain Credits.

.01 Elective Payment of Applicable Credits (§ 6417)2

- (1) What, if any, guidance is needed to clarify the meaning of certain terms in § 6417, such as applicable credit and excessive payment? Is there any term not defined in § 6417 that should be defined in future guidance? If so, what is the term and how should it be defined?**

We recommend that additional guidance be provided with respect to 45(w)(d)(3), allowance of depreciation requirement. The rules do not adequately explain if the allowance for requirement is being waived for tax-exempt entities. The City of Austin recommends that the allowance for depreciation be waived for tax-exempt entities.

- (2) With respect to the Secretary's discretion to determine the time and manner for making an election under § 6417(a):**

(b) What factors should the Treasury Department and the IRS consider in determining the time and manner for making the election?

The City of Austin recommends that the process be established that is similar to filing for reimbursements related to Certain Fuel Mixtures and the Alternative Fuel Credit, IRS Form 8849, Schedule 2.

- (7) Section 6417(d)(3)(A)(i)(I) provides that, in the case of any government, or political subdivision, described in § 6417(d)(1), and for which no return is required under § 6011 or 6033(a), any election made by these applicable entities under § 6417(a) must be made no later than such date as is determined appropriate by the Secretary. What factors should the Treasury Department and the IRS consider when providing guidance on the due date of the election for these applicable entities?**

We recommend that the process be established that is similar to filing for reimbursements related to Certain Fuel Mixtures and the Alternative Fuel Credit, IRS Form 8849, Schedule 2.

- (9) For purposes of preventing duplication, fraud, improper payments, or excessive payments under § 6417, what information, including any documentation created in or out of the ordinary course of business, or registration, should the IRS require as a condition of, and prior to, any amount being treated as a payment made by an applicable entity under § 6417(a)? What factors should the Treasury Department and the IRS consider as to when documentation or registration should be required?**

The City of Austin recommends that the Treasury Department and IRS consider as proof of payment the vehicle title, which includes the Vehicle Identification number, as well as the invoice.

If you have any questions, please feel free to contact Allison Wood with the City of Austin Fleet Services Department at Allison.wood@austintexas.gov.