

ADVANCED BIOFUELS NON-PROFIT RECEIVES TAX EXEMPTION STATUS

-Rachel Gantz, Oil Price Information Service

A Maryland-based advanced biofuels non-profit is now recognized as exempt from federal income tax, enabling the group to receive tax deductible donations.

Frederick, Md.-based Advanced Biofuels USA's main purpose is to promote public understanding, acceptance and use of advanced biofuels; to promote research, development and improvement of production, marketing and delivery of advanced biofuels; and to improve advanced biofuels crops and products.

"Our focus is on education of the general public, government leaders and decision makers, as well as the media and the agriculture, fuels and investment communities," said Advanced Biofuels USA Executive Director Joanne Ivancic. "I'm thrilled that we have received this recognition, which enables supporters to deduct from their taxes donations they make to Advanced Biofuels USA," she continued.

As Ivancic explained to OPIS, Advanced Biofuels USA launched in April 2008 with the intention of being a new trade organization representing second and third generation biofuels. However, around that time, biofuel producers began to struggle as a result of the economic downturn, and so it wasn't an ideal time to launch a trade organization with membership dues, she said. But there was still a need to educate people on advanced biofuels, she explained.

"Anybody who thinks that biofuels are just corn ethanol and soybean biodiesel needs to know and expand their understanding" of the industry, Ivancic said. While other biofuel trade associations are doing a good job promoting first generation biofuels, "we want to fill in the gaps from where these other organizations leave off," she explained, with a specific focus on sustainable non-food feedstocks.

Advanced Biofuels USA plans to provide broader understanding for a host of second generation biofuels, including algae-based biofuels and so-called "drop-in" fuels such as green crude, which require no new infrastructure, Ivancic noted.

Because of the group's tax exempt status, it cannot lobby, instead focusing "on educating lawmakers and the public. People need to understand that this is still a nascent industry....It's hard to get an investment. You can't promise a 20%-30% return on the investment in the next two-three years," Ivancic explained.

Advanced Biofuels USA plans to focus on several issues, including developing a curriculum-based educational series for K-12 science classes to help students and teachers understand the basics of plants, algae and other organic materials and how they can be converted to advanced biofuels and expanding online educational products such as webinars and educational videos. The group is open to partnering with existing biofuel trade groups, she noted.

For more information, visit www.advancedbiofuelsusa.org.

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