	A
1	
2	**Corporate Tax Provisions**
3	Corporate Tax Rate
4	GILTI
5	BEAT
6	Limitation on Interest Expense Deductibility
7	**Oil and Gas Provisions**
8	Superfund
9	Methane Fee
10	**Clean Energy Tax Credits**
11	Wind PTC
12	Offshore Wind ITC
13	Solar ITC
14	Solar PTC

	A
15	Direct Pay
16	CCUS - 45Q
17	Storage ITC
18	Transmission ITC

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19	Hydrogen PTC
20	Alternative Fuel Mixture Credit
21	Sustainable Aviation Fuel Credit
22	Alternative Fuel Refueling Property Credit (including EV charging)
23	**Carbon Policy**
24	Clean Electricity Payment Program
25	Price on Carbon

	B
1	**Key Provisions**
2	
3	Increases the corporate tax rate from current law 21% to 26.5%
4	Rate of 16.5% applied on a country-by-country basis. Allowance of 95% of FTC applied and carried forward. Losses carried forward.
5	Increases the rate of the BEAT to 10% for the next two years and 12.5% thereafter. Substantially re-defines the nature of the tax to more closely approximate the Administration's SHIELD proposal, where the tax does not apply unless the taxpayer is subject to an effective rate of foreign tax that is less than the BEAT rate. The provision also removes the disallowance of tax credits under the BEAT, and changes the BEAT so it doesn't unfairly penalize companies with losses.
6	Limits the interest deduction of certain domestic corporations in proportion to their share of the total earnings of their international financial reporting group. This prevents multinational corporate groups from shifting a disproportionate amount of their interest deduction to the United States in order to lower their U.S. tax liability.
7	
8	This provision reinstates the Hazardous Substance Superfund Financing Rate on crude oil and imported petroleum products at the rate of 16.4 cents/per gallon, indexed to inflation, and reinstates the tax on sale of chemicals at twice the rates enacted in prior law. These provisions are made effective after December 31, 2021 until January 1, 2032.
9	Imposes a fee on methane emissions across the oil and gas value chain of $1,500/metric tonne of methane above a % threshold by value chain segment (0.2% for production; 0.11% for transmission; 0.05% for all other segments)
10	
11	The PTC for wind energy is increased to the full appliable credit rate through the end of 2031, phasing down to 80% in 2032, and 60% in 2033. A base credit amount of 0.5 cents/kwh is provided, with a bonus credit of 2.5 cents/kwh if wage and apprenticeship requirements are met.
12	The ITC for offshore wind is extended through the end of 2031, phasing down in 2032 and 2033. A base credit amount of 6% is provided, with a bonus credit of 30% if wage and apprenticeship requirements are met.
13	The ITC for solar energy property is extended through the end of 2031. A base credit amount of 6% is provided, with a bonus credit of 30% if wage and apprenticeship requirements are met. The ITC then phases down in 2032 and 2033, and provides a base rate of 2% or a bonus rate of 10% thereafter.
14	The PTC for solar is increased to the full appliable credit rate through the end of 2031, phasing down to 80% in 2032, and 60% in 2033. A base credit amount of 0.5 cents/kwh is provided, with a bonus credit of 2.5 cents/kwh if wage and apprenticeship requirements are met.

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15	All projects starting before January 1, 2024 are eligible for 100-percent direct pay. For projects starting after January 1, 2024 there is a two-part domestic content requirement around the 55 percent cost of manufactured goods and steel and iron content to receive 100-percent direct pay. Projects starting in 2024 which fail to meet domestic content requirements can still receive 90 percent direct pay. Projects starting in 2025 which fail to meet domestic content requirements can still receive 85 percent direct pay. Projects starting after December 31, 2025, which fail to meet domestic content requirements are ineligible for direct pay. (There is 10 percent bonus credit amount attaching to the PTC/ITC for projects starting before January 1, 2024 which meet the domestic content requirements).
16	The provision extends the credit for carbon oxide sequestration facilities that begin construction before the end of 2031. To qualify for the credit, direct air capture facilities must capture no less than 1,000 metric tons of carbon oxide per year. Electricity generating facilities must capture no less than 18,750 metric tons of carbon oxide and 75% of total carbon emissions. Other industrial facilities must capture no less than 12,500 metric tons of carbon oxide and 50% of total carbon emissions. The provision provides a base credit rate of $10 and a bonus credit rate of $50 per metric ton of carbon oxide captured for geological storage and a base credit rate of $7 and a bonus credit rate of $35 per metric ton of carbon oxide captured and utilized for an allowable use by the taxpayer. The provision provides an enhanced credit for direct air capture facilities at a base rate of $36 and a bonus rate of $180 per metric ton of carbon oxide captured for geological storage and base rate of $26 and a bonus rate of $130 per metric ton of carbon captured and utilized for an allowable use by the taxpayer. In order to claim the PTC at the bonus credit rate, taxpayers must satisfy 1.) prevailing wage requirements for the duration of the construction of the project and for each year during the twelve-year credit period, or where applicable, until the credit is phased out as determined by the Secretary, and 2.) apprenticeship requirements during the construction of the project. The amendments made by this provision shall apply for facilities placed into service after December 31, 2021.
17	The House bill contains a new 10-year, 30 percent storage ITC (subject to labor provisions) with direct pay potential for projects placed in-service after January 1, 2022. The storage ITC has the same credit structure as the wind and solar credits with respect to prevailing wage and apprenticeship requirements as well as domestic content requirements tied to direct pay.
18	The House bill contains a new 10-year, 30 percent transmission ITC (subject to labor provisions) with direct pay potential for projects beginning in 2022. The transmission ITC has the same credit structure as the wind and solar credits with respect to prevailing wage and apprenticeship requirements as well as domestic content requirements tied to direct pay. Eligible projects must be capable of transmitting at 275 kilovolts and above and have at least 500MW of capacity. Like other credits, the transmission ITC is subject to similar labor and domestic content requirements. Qualifying transmission projects must be placed in-service before January 1, 2032. The provision disallows the ITC for projects starting construction before 2022 and for projects where a regulatory body has provided for cost recovery.

	B
19	The House bill contains a new production tax credit for the production of clean hydrogen. Green hydrogen (generated with renewable power reducing GHG emissions by at least 95%) would receive $3 per kilogram for the first 10 years of hydrogen production. Taxpayers may elect a sliding-scale ITC in lieu of the PTC. The provision applies to hydrogen produced after December 31, 2021, and sunsets for projects beginning construction after December 31, 2028.
20	Extends the $0.50 per gallon excise tax credits for alternative fuels and alternative fuel mixtures through 2031.
21	Beginning in 2023, this provision provides a refundable blenders tax credit for each gallon of sustainable aviation fuel sold as part of a qualified fuel mixture. The value of the credit is determined on a sliding scale, equal to $1.25 plus an additional $.01 for each percentage point by which the lifecycle emissions reduction of such fuel exceeds 50%. Taxpayers may elect to claim this credit as an excise tax credit against section 4041 excise tax liability.
22	Extends the alternative fuel vehicle refueling property credit through 2031. Beginning in 2022, the provision expands the credit for zero-emissions charging infrastructure by providing a base credit of 6% for expenses up to $100,000 and 4% for allowable expenses in excess of such limitation (i.e., it allows a credit for expenses beyond the limit if certain requirements are met). The provision provides an alternative bonus credit level of 30% for expenses up to $100,000 and 20% thereafter.
23	
24	DOE administered federal program to issue grants to and collect payments from electricity suppliers. Beginning in fiscal year 2022, "load serving entities" must increase clean energy generation 4% per year. DOE will provide $150/MWh of clean electricity that exceeds the amount supplied the previous year by 1.5%. If a supplier fails to reach the 4% threshold, suppliers would pay $40/mwh below the annual 4% increase. "Clean electricity" defined as having a carbon intensity not more than 0.10 metric tons of Co2e/MWh (ie. gas with CCUS only)
25	Being discussed as a potential pay-for. No language currently included in reconciliation language; not included in reconciliaition instructions. If it gets incorporated, expected to be in the $15/ton range and be limited to oil and gas and potentially industrials, with a carve out for gasoline.

	C
1	**Impact to BP**
2	
3	Detriment: $3.3 billion/10 years
4	bp has minimal to nil exposure to GILTI overall and same under these proposed changes. bp only has extractive income in Algeria and Egypt under our US holding structure, and we can cover that exposure with foreign tax credits. We have no foreign subs with oil sands income so this is not an issue for bp but is for Exxon, Chevron and Conoco, and to a lesser extent Shell
5	Currently being analyzed. Likely none.
6	Currently being analyed. Potential detriment of $500 million/10 years
7	
8	Currently being analyzed.
9	Currently being analyzed. Could be in the range of $13-15MM/year for bpx.
10	
11	Benefit: $5-10 million/year for bpWind. Further benefit is possible depending on RePower or new project development potential.
12	Benefit: $2.3 billion/10 years projected for offshore wind ITC ($950 million for Empire 1 and Empire 2 and $1.35 billion for Beacon).
13	Benefit: Lightsource/bp uses its ITCs to raise tax equity financing, thus reducing its capex exposure. Increasing the ITC rate to 30% could increase the value of planned LSBP development projects by $350-400 million per year.
14	

	C
15	Benefit: Direct pay would provide the optionality of refundable payments in the year credits are earned. Though, based on our tax profile we have the ability to monetize renewable credits without needing to carry them forward or choose refundability.
16	None
17	None
18	None

	C
19	None
20	Benefit: $35 million per year
21	None
22	None
23	
24	Indirect: Disrupt and potentially significantly harm unabated natural gas markets; could have potential upside for renewables businesses, however this is not guaranteed
25	Unknown since no information available

	D
1	**Advocacy**
2	
3	None
4	None
5	None
6	None
7	
8	None
9	In development with bpx and gpta
10	
11	**Redacted - First Amendment**
12	
13	
14	

	D
15	None
16	Redacted - First Amendment
17	None
18	None

	D
19	None
20	Redacted - First Amendment
21	None
22	None
23	
24	In development with gpta
25	NA