

119<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# S. 4657

To amend the Internal Revenue Code of 1986 to repeal the excise tax on heavy trucks and trailers, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

JUNE 2, 2026

Mr. YOUNG (for himself and Ms. ALSOBROOKS) introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To amend the Internal Revenue Code of 1986 to repeal the excise tax on heavy trucks and trailers, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Modern, Clean, and  
5       Safe Trucks Act of 2026”.

6       **SEC. 2. FINDINGS.**

7       Congress finds that—

8               (1) the 12-percent Federal retail excise tax on  
9       all new heavy trucks, tractors, and trailers, coupled  
10      with new regulatory mandates, significantly in-

1 creases the cost of new heavy-duty trucks, tractors,  
2 and trailers and discourages the replacement of  
3 older, less environmentally clean and less fuel eco-  
4 nomical vehicles;

5 (2) this 12-percent Federal retail excise tax is  
6 the highest percentage rate of any Federal ad valo-  
7 rem excise tax;

8 (3) the Federal excise tax was first levied by  
9 Congress in 1917 to help finance America's involve-  
10 ment in World War I;

11 (4) the 12-percent Federal retail excise tax rou-  
12 tinely adds \$7,000 or more to the cost of new trail-  
13 ers, \$20,000 or more for new clean diesel trucks,  
14 and as much as \$50,000 to the next generation of  
15 trucks with advanced engine technologies;

16 (5) nearly 34 percent of the Class 8 trucks on  
17 the road are pre-MY2010 trucks and lack more than  
18 a decade of environmental and safety technological  
19 advancements;

20 (6) from 2011 through 2030, this generation of  
21 diesels will save approximately 1,300,000,000 tons  
22 of carbon dioxide emissions and 130,000,000,000  
23 gallons of fuel, while yielding cumulative savings of  
24 1,000,000 tons of particulate matter and 18,000,000  
25 tons of nitrogen oxide;

1           (7) an owner of a single Class 8 truck powered  
2           by the latest clean diesel engine can expect to save  
3           about 2,200 gallons of fuel each year compared to  
4           previous generations of technology;

5           (8) since the late 1990s, cleaner fuel and ad-  
6           vanced engines have combined to reduce nitrogen  
7           oxide (NO<sub>x</sub>) emissions and particulate matter (PM)  
8           emissions by 98 percent;

9           (9) 60 trucks manufactured today emit the  
10          same amount as 1 truck manufactured in 1988;

11          (10) the Federal excise tax disproportionately  
12          impacts electric and alternative-fueled trucks, which  
13          currently have a higher up front cost, at a time  
14          when adoption of these technologies is needed to ac-  
15          celerate the transition to zero emission vehicles and  
16          the reduction of carbon pollution from transpor-  
17          tation;

18          (11) in 2020, there were approximately  
19          1,300,000 United States manufacturing, supplier,  
20          dealership, and heavy-duty trucking and trailer re-  
21          lated jobs;

22          (12) since the Federal retail excise tax on cer-  
23          tain new heavy trucks, tractors, and trailers is based  
24          on annual sales, receipts from the tax deposited in  
25          the Highway Trust Fund can vary greatly;

1           (13) Congress should consider a more reliable  
2           and consistent revenue mechanism to fund the High-  
3           way Trust Fund;

4           (14) Congress should advance the deployment  
5           of the most modern, clean, and safe trucks through  
6           eliminating the Federal excise tax on trucks; and

7           (15) repealing the Federal excise tax would re-  
8           sult in the replacement of older internal combustion  
9           engine trucks with new heavy duty trucks that em-  
10          ploy the latest safety and environmental tech-  
11          nologies.

12 **SEC. 3. REPEAL OF EXCISE TAX ON HEAVY TRUCKS AND**  
13 **TRAILERS.**

14          (a) IN GENERAL.—Chapter 31 of the Internal Rev-  
15          enue Code of 1986 is amended by striking subchapter C  
16          (and by striking the item relating to such subchapter from  
17          the table of subchapters for such chapter).

18          (b) CONFORMING AMENDMENTS.—

19                 (1) Section 4072(c) of such Code is amended to  
20          read as follows:

21          “(c) TIRES OF THE TYPE USED ON HIGHWAY VEHI-  
22          CLES.—

23                 “(1) IN GENERAL.—For purposes of this part,  
24          the term ‘tires of the type used on highway vehicles’  
25          means tires of the type used on—

1           “(A) motor vehicles which are highway ve-  
2           hicles, or

3           “(B) vehicles of the type used in connec-  
4           tion with motor vehicles which are highway ve-  
5           hicles.

6           “(2) EXCEPTION FOR MOBILE MACHINERY.—

7           “(A) IN GENERAL.—Such term shall not  
8           include tires of a type used exclusively on mo-  
9           bile machinery.

10          “(B) MOBILE MACHINERY.—For purposes  
11          of subparagraph (A), the term ‘mobile machin-  
12          ery’ means any vehicle which consists of a chas-  
13          sis—

14                 “(i) to which there has been perma-  
15                 nently mounted (by welding, bolting, riv-  
16                 eting, or other means) machinery or equip-  
17                 ment to perform a construction, manufac-  
18                 turing, processing, farming, mining, drill-  
19                 ing, timbering, or similar operation if the  
20                 operation of the machinery or equipment is  
21                 unrelated to transportation on or off the  
22                 public highways,

23                 “(ii) which has been specially designed  
24                 to serve only as a mobile carriage and  
25                 mount (and a power source, where applica-

1           ble) for the particular machinery or equip-  
 2           ment involved, whether or not such ma-  
 3           chinery or equipment is in operation, and  
 4           “(iii) which, by reason of such special  
 5           design, could not, without substantial  
 6           structural modification, be used as a com-  
 7           ponent of a vehicle designed to perform a  
 8           function of transporting any load other  
 9           than that particular machinery or equip-  
 10          ment or similar machinery or equipment  
 11          requiring such a specially designed chas-  
 12          sis.”.

13          (2) Section 4221 of such Code is amended—

14           (A) in subsection (a)—

15           (i) by striking “(or under subchapter  
 16           C of chapter 31 on the first retail sale)”,  
 17           and

18           (ii) by striking “4051 or”,

19           (B) in subsection (c), by striking “and in  
 20           the case of any article sold free of tax under  
 21           section 4053(6),”, and

22           (C) in subsection (d)(1), by striking “,  
 23           and, in the case of the taxes imposed by sub-  
 24           chapter C of chapter 31, includes the retailer  
 25           with respect to the first retail sale”.

1           (3) Section 4222(d) of such Code is amended  
2           by striking “4053(6),”.

3           (4) Section 4293 of such Code is amended by  
4           striking “section 4051,”.

5           (5) Section 4483(g) of such Code is amended  
6           by striking “section 4053(8)” and inserting “section  
7           4072(e)(2)”.

8           (6) Section 6416(b)(2) of such Code is amend-  
9           ed by striking “or under section 4051”.

10          (7) Section 6416(b) of such Code is amended  
11          by striking paragraph (6).

12          (8) Section 9503(b)(1) of such Code is amend-  
13          ed by striking subparagraph (B) and by redesignig-  
14          nating subparagraphs (C), (D), and (E) as subpara-  
15          graphs (B), (C), and (D), respectively.

16          (c) EFFECTIVE DATE.—The amendments made by  
17          this section shall apply to sales and installations on or  
18          after the date of the enactment of this Act.

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