

114TH CONGRESS
1ST SESSION

H. R. 898

To amend the Internal Revenue Code of 1986 to provide for the equalization of the excise tax on liquefied natural gas and liquefied petroleum gas.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 11, 2015

Mr. KELLY of Pennsylvania (for himself and Mr. KIND) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to provide for the equalization of the excise tax on liquefied natural gas and liquefied petroleum gas.

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 “Energy Production
5 Fairness Act”.

6 **SEC. 2. EQUALIZATION OF EXCISE TAX ON LIQUEFIED NAT-**
7 **URAL GAS AND LIQUEFIED PETROLEUM GAS.**

8 (a) LIQUEFIED PETROLEUM GAS.—

9 (1) IN GENERAL.—Subparagraph (B) of section
10 4041(a)(2) of the Internal Revenue Code of 1986 is

1 amended by striking “and” at the end of clause (i),
2 by redesignating clause (ii) as clause (iii), and by in-
3 serting after clause (i) the following new clause:

4 “(ii) in the case of liquefied petroleum
5 gas, 18.3 cents per energy equivalent of a
6 gallon of gasoline, and”.

7 (2) ENERGY EQUIVALENT OF A GALLON OF
8 GASOLINE.—Paragraph (2) of section 4041(a) of the
9 Internal Revenue Code of 1986 is amended by add-
10 ing at the end the following:

11 “(C) ENERGY EQUIVALENT OF A GALLON
12 OF GASOLINE.—For purposes of this para-
13 graph, the term ‘energy equivalent of a gallon
14 of gasoline’ means, with respect to a liquefied
15 petroleum gas fuel, the amount of such fuel
16 having a Btu content of 115,400 (lower heating
17 value).”.

18 (b) LIQUEFIED NATURAL GAS.—

19 (1) IN GENERAL.—Subparagraph (B) of section
20 4041(a)(2) of the Internal Revenue Code of 1986, as
21 amended by subsection (a)(1), is amended by strik-
22 ing “and” at the end of clause (ii), by striking the
23 period at the end of clause (iii) and inserting “,
24 and” and by inserting after clause (iii) the following
25 new clause:

1 “(iv) in the case of liquefied natural
2 gas, 24.3 cents per energy equivalent of a
3 gallon of diesel.”.

4 (2) ENERGY EQUIVALENT OF A GALLON OF
5 DIESEL.—Paragraph (2) of section 4041(a) of the
6 Internal Revenue Code of 1986, as amended by sub-
7 section (a)(2), is amended by adding at the end the
8 following:

9 “(D) ENERGY EQUIVALENT OF A GALLON
10 OF DIESEL.—For purposes of this paragraph,
11 the term ‘energy equivalent of a gallon of diesel’
12 means, with respect to a liquefied natural gas
13 fuel, the amount of such fuel having a Btu con-
14 tent of 128,700 (lower heating value).”.

15 (3) CONFORMING AMENDMENTS.—Section
16 4041(a)(2)(B)(iv) of the Internal Revenue Code of
17 1986, as redesignated by subsection (a)(1) and para-
18 graph (1), is amended—

19 (A) by striking “liquefied natural gas,”
20 and

21 (B) by striking “peat), and” and inserting
22 “peat) and”.

1 (c) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to any sale or use of fuel after
3 September 30, 2014.

○