

119TH CONGRESS
1ST SESSION

H. R. 3401

To amend the Internal Revenue Code of 1986 to establish the retreaded tire credit, to require Federal agencies to consider the use of retreaded tires, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 14, 2025

Mr. LAHOOD (for himself and Mrs. SYKES) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Oversight and Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Internal Revenue Code of 1986 to establish the retreaded tire credit, to require Federal agencies to consider the use of retreaded tires, 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 “Retreaded Tire Jobs,
5 Supply Chain Security and Sustainability Act of 2025”.

1 **SEC. 2. CREDIT FOR CERTAIN RETREADED TIRES.**

2 (a) IN GENERAL.—Part IV of subchapter A of chap-
 3 ter 1 of the Internal Revenue Code of 1986 is amended
 4 by adding at the end of subpart D the following new sec-
 5 tion:

6 **“SEC. 45BB. RETREADED TIRE CREDIT.**

7 “(a) IN GENERAL.—For purposes of section 38, the
 8 retreaded tire credit for any taxable year is an amount
 9 equal to the sum of the credit amounts determined under
 10 subsection (b) with respect to the taxpayer for the taxable
 11 year.

12 “(b) PER TIRE AMOUNT.—There shall be a credit
 13 equal to so much of the qualified tire retreading expenses
 14 of the taxpayer as do not exceed the lesser of—

15 “(1) 30 percent of the amount paid or incurred
 16 by the taxpayer to purchase qualified retreaded tires
 17 placed in service during the taxable year, or

18 “(2) the product of \$30 multiplied by the num-
 19 ber of qualified retreaded tires placed in service by
 20 the taxpayer during the taxable year.

21 “(c) QUALIFIED RETREADED TIRE.—The term
 22 ‘qualified retreaded tire’ means a retreaded tire—

23 “(1) retreaded in the United States, and

24 “(2) purchased by the taxpayer in the United
 25 States.

1 “(d) REGULATIONS AND GUIDANCE.—The Secretary
 2 shall issue such regulations and guidance as the Secretary
 3 determines necessary to carry out the purposes of this sec-
 4 tion.

5 “(e) TERMINATION.—No credit shall be determined
 6 under this section with respect to qualified retreaded tires
 7 placed in service after December 31, 2028.”.

8 (b) CREDIT ALLOWED AS PART OF GENERAL BUSI-
 9 NESS CREDIT.—Section 38(b) of such Code is amended
 10 by striking “plus” at the end of paragraph (40), by strik-
 11 ing the period at the end of paragraph (41), and by adding
 12 at the end the following new paragraph:

13 “(42) the retreaded tire credit determined
 14 under section 45BB.”.

15 (c) CLERICAL AMENDMENT.—The table of sections
 16 for part IV of subchapter A of chapter 1 of such Code
 17 is amended by adding at the end the following new item:

“Sec. 45BB. Retreaded tire credit.”.

18 (d) EFFECTIVE DATE.—The amendments made by
 19 this section shall apply to tires placed in service after De-
 20 cember 31, 2025.

21 **SEC. 3. USE OF RETREADED TIRES FOR FEDERAL FLEETS.**

22 (a) REQUIREMENT.—In any case in which a
 23 retreaded tire is available on the General Services Admin-
 24 istration tire schedule in the size, load range, and tread

1 designation desired, the head of an agency shall order such
2 tire instead of a new, not retread-able tire.

3 (b) FAR REVISION.—Not later than 1 year after the
4 date of the enactment of this Act, the Federal Acquisition
5 Regulation shall be updated to include the requirements
6 of this section.

7 (c) AGENCY DEFINED.—The term “agency” has the
8 meaning given the term “executive agency” in section 133
9 of title 41, United States Code.

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