

119TH CONGRESS
2D SESSION

S. 4588

To amend the Internal Revenue Code of 1986 to increase the excise tax for the repurchase of corporate stock by large oil and gas companies.

IN THE SENATE OF THE UNITED STATES

MAY 20, 2026

Mr. WYDEN (for himself, Mr. SCHUMER, Mr. BENNET, Mr. WHITEHOUSE, Mr. WELCH, Mr. KIM, Mr. BLUMENTHAL, Mr. VAN HOLLEN, Mr. REED, Mr. BOOKER, Ms. HIRONO, Mr. MARKEY, Mr. MERKLEY, Mr. SCHATZ, and Ms. SMITH) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to increase the excise tax for the repurchase of corporate stock by large oil and gas companies.

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 “Taxing Buybacks from
5 Big Oil Windfalls Act”.

1 **SEC. 2. INCREASE IN TAX ON REPURCHASE OF CORPORATE**
 2 **STOCK BY LARGE OIL AND GAS COMPANIES.**

3 Section 4501 of the Internal Revenue Code of 1986
 4 is amended by redesignating subsection (f) as subsection
 5 (g) and by inserting after subsection (e) the following new
 6 subsection:

7 “(f) APPLICATION TO LARGE OIL AND GAS COMPA-
 8 NIES.—

9 “(1) IN GENERAL.—In the case of a covered
 10 corporation which is an applicable corporation for
 11 the taxable year, subsection (a) shall be applied by
 12 substituting ‘25 percent’ for ‘1 percent’.

13 “(2) APPLICABLE CORPORATION.—For pur-
 14 poses of this subsection—

15 “(A) IN GENERAL.—The term ‘applicable
 16 corporation’ means, with respect to any taxable
 17 year, any corporation if—

18 “(i) the average annual gross receipts
 19 of such corporation for the 3-taxable-year
 20 period ending with the taxable year which
 21 precedes such taxable year equals or ex-
 22 ceeds \$1,000,000,000, and

23 “(ii) such corporation is primarily en-
 24 gaged in 1 or more oil or natural gas
 25 trades or businesses during the taxable
 26 year.

1 For purposes of clause (i), rules similar to the
 2 rules of paragraphs (2) and (3) of section
 3 448(c) shall apply.

4 “(B) OIL OR NATURAL GAS TRADE OR
 5 BUSINESS.—The term ‘oil or natural gas trade
 6 or business’ means any trade or business that
 7 consists of one or more of the following:

8 “(i) The production of oil or natural
 9 gas.

10 “(ii) The refining of oil or natural
 11 gas.

12 “(iii) The processing of oil or natural
 13 gas.

14 “(iv) The transportation of oil or nat-
 15 ural gas.

16 “(v) The distribution of oil or natural
 17 gas.

18 “(3) APPLICATION OF SUBSECTION.—

19 “(A) IN GENERAL.—This subsection shall
 20 apply to repurchases of stock made—

21 “(i) after the date of the enactment of
 22 this subsection, and

23 “(ii) before the first day of the first
 24 month beginning after the gasoline price
 25 requirement of subparagraph (B) is met.

1 “(B) GASOLINE PRICE REQUIREMENT.—

2 The gasoline price requirement of this subpara-
 3 graph is met if the weekly retail price of all for-
 4 mulations of regular gasoline (as determined by
 5 the Energy Information Administration of the
 6 Department of Energy) is less than \$2.937 per
 7 gallon for each week occurring during any 5-
 8 consecutive week period ending after the date of
 9 the enactment of this subsection.

10 “(C) SPECIAL RULE.—For purposes of ap-
 11 plying subsection (c)(3) to any taxable year
 12 which includes a period to which this subsection
 13 applies and a period to which this subsection
 14 does not apply, the amount of the reduction de-
 15 termined under such subsection for such tax-
 16 able year shall be applied—

17 “(i) by reducing stock repurchased
 18 during the period this subsection does not
 19 apply in the amount which bears the same
 20 ratio to the total amount of the reduction
 21 so determined for such taxable year as—

22 “(I) the number of days in the
 23 taxable year during such period, bears
 24 to

1 “(II) the total number of days in
2 such taxable year, and
3 “(ii) by reducing stock repurchased
4 during the period this subsection applies
5 by the excess (if any) of the total amount
6 of the reduction so determined for such
7 taxable year over the amount of the reduc-
8 tion determined under clause (i).”.

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