

80 Stat. 931, to Secretary of Transportation, with functions, powers, and duties of Secretary of Transportation pertaining to aviation safety to be exercised by Federal Aviation Administrator in Department of Transportation, see section 106 of Title 49, Transportation.

## § 48. Energy credit

### (a) Energy credit

#### (1) In general

For purposes of section 46, except as provided in paragraphs (1)(B), (2)(B), and (3)(B) of subsection (c), the energy credit for any taxable year is the energy percentage of the basis of each energy property placed in service during such taxable year.

#### (2) Energy percentage

##### (A) In general

Except as provided in paragraphs (6) and (7), the energy percentage is—

(i) 30 percent in the case of—

(I) qualified fuel cell property,

(II) energy property described in paragraph (3)(A)(i) but only with respect to property the construction of which begins before January 1, 2022,

(III) energy property described in paragraph (3)(A)(ii), and

(IV) qualified small wind energy property, and

(ii) in the case of any energy property to which clause (i) does not apply, 10 percent.

##### (B) Coordination with rehabilitation credit

The energy percentage shall not apply to that portion of the basis of any property which is attributable to qualified rehabilitation expenditures.

#### (3) Energy property

For purposes of this subpart, the term “energy property” means any property—

(A) which is—

(i) equipment which uses solar energy to generate electricity, to heat or cool (or provide hot water for use in) a structure, or to provide solar process heat, excepting property used to generate energy for the purposes of heating a swimming pool,

(ii) equipment which uses solar energy to illuminate the inside of a structure using fiber-optic distributed sunlight but only with respect to property the construction of which begins before January 1, 2022,

(iii) equipment used to produce, distribute, or use energy derived from a geothermal deposit (within the meaning of section 613(e)(2)), but only, in the case of electricity generated by geothermal power, up to (but not including) the electrical transmission stage,

(iv) qualified fuel cell property or qualified microturbine property,

(v) combined heat and power system property,

(vi) qualified small wind energy property, or

(vii) equipment which uses the ground or ground water as a thermal energy source to heat a structure or as a thermal energy

sink to cool a structure, but only with respect to property the construction of which begins before January 1, 2022,

(B)(i) the construction, reconstruction, or erection of which is completed by the taxpayer, or

(ii) which is acquired by the taxpayer if the original use of such property commences with the taxpayer,

(C) with respect to which depreciation (or amortization in lieu of depreciation) is allowable, and

(D) which meets the performance and quality standards (if any) which—

(i) have been prescribed by the Secretary by regulations (after consultation with the Secretary of Energy), and

(ii) are in effect at the time of the acquisition of the property.

Such term shall not include any property which is part of a facility the production from which is allowed as a credit under section 45 for the taxable year or any prior taxable year.

#### (4) Special rule for property financed by subsidized energy financing or industrial development bonds

##### (A) Reduction of basis

For purposes of applying the energy percentage to any property, if such property is financed in whole or in part by—

(i) subsidized energy financing, or

(ii) the proceeds of a private activity bond (within the meaning of section 141) the interest on which is exempt from tax under section 103,

the amount taken into account as the basis of such property shall not exceed the amount which (but for this subparagraph) would be so taken into account multiplied by the fraction determined under subparagraph (B).

##### (B) Determination of fraction

For purposes of subparagraph (A), the fraction determined under this subparagraph is 1 reduced by a fraction—

(i) the numerator of which is that portion of the basis of the property which is allocable to such financing or proceeds, and

(ii) the denominator of which is the basis of the property.

##### (C) Subsidized energy financing

For purposes of subparagraph (A), the term “subsidized energy financing” means financing provided under a Federal, State, or local program a principal purpose of which is to provide subsidized financing for projects designed to conserve or produce energy.

##### (D) Termination

This paragraph shall not apply to periods after December 31, 2008, under rules similar to the rules of section 48(m) (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990).

**(5) Election to treat qualified facilities as energy property**

**(A) In general**

In the case of any qualified property which is part of a qualified investment credit facility—

(i) such property shall be treated as energy property for purposes of this section, and

(ii) the energy percentage with respect to such property shall be 30 percent.

**(B) Denial of production credit**

No credit shall be allowed under section 45 for any taxable year with respect to any qualified investment credit facility.

**(C) Qualified investment credit facility**

For purposes of this paragraph, the term “qualified investment credit facility” means any facility—

(i) which is a qualified facility (within the meaning of section 45) described in paragraph (1), (2), (3), (4), (6), (7), (9), or (11) of section 45(d),

(ii) which is placed in service after 2008 and the construction of which begins before January 1, 2021, and

(iii) with respect to which—

(I) no credit has been allowed under section 45, and

(II) the taxpayer makes an irrevocable election to have this paragraph apply.

**(D) Qualified property**

For purposes of this paragraph, the term “qualified property” means property—

(i) which is—

(I) tangible personal property, or

(II) other tangible property (not including a building or its structural components), but only if such property is used as an integral part of the qualified investment credit facility,

(ii) with respect to which depreciation (or amortization in lieu of depreciation) is allowable,

(iii) which is constructed, reconstructed, erected, or acquired by the taxpayer, and

(iv) the original use of which commences with the taxpayer.

**(E) Phaseout of credit for wind facilities**

In the case of any facility using wind to produce electricity which is treated as energy property by reason of this paragraph, the amount of the credit determined under this section (determined after the application of paragraphs (1) and (2) and without regard to this subparagraph) shall be reduced by—

(i) in the case of any facility the construction of which begins after December 31, 2016, and before January 1, 2018, 20 percent,

(ii) in the case of any facility the construction of which begins after December 31, 2017, and before January 1, 2019, 40 percent,

(iii) in the case of any facility the construction of which begins after December

31, 2018, and before January 1, 2020, 60 percent, and

(iv) in the case of any facility the construction of which begins after December 31, 2019, and before January 1, 2021, 40 percent.

**(6) Phaseout for solar energy property**

**(A) In general**

Subject to subparagraph (B), in the case of any energy property described in paragraph (3)(A)(i) the construction of which begins before January 1, 2022, the energy percentage determined under paragraph (2) shall be equal to—

(i) in the case of any property the construction of which begins after December 31, 2019, and before January 1, 2021, 26 percent, and

(ii) in the case of any property the construction of which begins after December 31, 2020, and before January 1, 2022, 22 percent.

**(B) Placed in service deadline**

In the case of any energy property described in paragraph (3)(A)(i) the construction of which begins before January 1, 2022, and which is not placed in service before January 1, 2024, the energy percentage determined under paragraph (2) shall be equal to 10 percent.

**(7) Phaseout for fiber-optic solar, qualified fuel cell, and qualified small wind energy property**

**(A) In general**

Subject to subparagraph (B), in the case of any qualified fuel cell property, qualified small wind property, or energy property described in paragraph (3)(A)(ii), the energy percentage determined under paragraph (2) shall be equal to—

(i) in the case of any property the construction of which begins after December 31, 2019, and before January 1, 2021, 26 percent, and

(ii) in the case of any property the construction of which begins after December 31, 2020, and before January 1, 2022, 22 percent.

**(B) Placed in service deadline**

In the case of any energy property described in subparagraph (A) which is not placed in service before January 1, 2024, the energy percentage determined under paragraph (2) shall be equal to 0 percent.

**(b) Certain progress expenditure rules made applicable**

Rules similar to the rules of subsections (c)(4) and (d) of section 46 (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990) shall apply for purposes of subsection (a).

**(c) Definitions**

For purposes of this section—

**(1) Qualified fuel cell property**

**(A) In general**

The term “qualified fuel cell property” means a fuel cell power plant which—

(i) has a nameplate capacity of at least 0.5 kilowatt of electricity using an electrochemical process, and

(ii) has an electricity-only generation efficiency greater than 30 percent.

**(B) Limitation**

In the case of qualified fuel cell property placed in service during the taxable year, the credit otherwise determined under subsection (a) for such year with respect to such property shall not exceed an amount equal to \$1,500 for each 0.5 kilowatt of capacity of such property.

**(C) Fuel cell power plant**

The term “fuel cell power plant” means an integrated system comprised of a fuel cell stack assembly and associated balance of plant components which converts a fuel into electricity using electrochemical means.

**(D) Termination**

The term “qualified fuel cell property” shall not include any property the construction of which does not begin before January 1, 2022.

**(2) Qualified microturbine property**

**(A) In general**

The term “qualified microturbine property” means a stationary microturbine power plant which—

(i) has a nameplate capacity of less than 2,000 kilowatts, and

(ii) has an electricity-only generation efficiency of not less than 26 percent at International Standard Organization conditions.

**(B) Limitation**

In the case of qualified microturbine property placed in service during the taxable year, the credit otherwise determined under subsection (a) for such year with respect to such property shall not exceed an amount equal to \$200 for each kilowatt of capacity of such property.

**(C) Stationary microturbine power plant**

The term “stationary microturbine power plant” means an integrated system comprised of a gas turbine engine, a combustor, a recuperator or regenerator, a generator or alternator, and associated balance of plant components which converts a fuel into electricity and thermal energy. Such term also includes all secondary components located between the existing infrastructure for fuel delivery and the existing infrastructure for power distribution, including equipment and controls for meeting relevant power standards, such as voltage, frequency, and power factors.

**(D) Termination**

The term “qualified microturbine property” shall not include any property the construction of which does not begin before January 1, 2022.

**(3) Combined heat and power system property**

**(A) Combined heat and power system property**

The term “combined heat and power system property” means property comprising a system—

(i) which uses the same energy source for the simultaneous or sequential generation of electrical power, mechanical shaft power, or both, in combination with the generation of steam or other forms of useful thermal energy (including heating and cooling applications),

(ii) which produces—

(I) at least 20 percent of its total useful energy in the form of thermal energy which is not used to produce electrical or mechanical power (or combination thereof), and

(II) at least 20 percent of its total useful energy in the form of electrical or mechanical power (or combination thereof),

(iii) the energy efficiency percentage of which exceeds 60 percent, and

(iv) the construction of which begins before January 1, 2022.

**(B) Limitation**

**(i) In general**

In the case of combined heat and power system property with an electrical capacity in excess of the applicable capacity placed in service during the taxable year, the credit under subsection (a)(1) (determined without regard to this paragraph) for such year shall be equal to the amount which bears the same ratio to such credit as the applicable capacity bears to the capacity of such property.

**(ii) Applicable capacity**

For purposes of clause (i), the term “applicable capacity” means 15 megawatts or a mechanical energy capacity of more than 20,000 horsepower or an equivalent combination of electrical and mechanical energy capacities.

**(iii) Maximum capacity**

The term “combined heat and power system property” shall not include any property comprising a system if such system has a capacity in excess of 50 megawatts or a mechanical energy capacity in excess of 67,000 horsepower or an equivalent combination of electrical and mechanical energy capacities.

**(C) Special rules**

**(i) Energy efficiency percentage**

For purposes of this paragraph, the energy efficiency percentage of a system is the fraction—

(I) the numerator of which is the total useful electrical, thermal, and mechanical power produced by the system at normal operating rates, and expected to be consumed in its normal application, and

(II) the denominator of which is the lower heating value of the fuel sources for the system.

**(ii) Determinations made on Btu basis**

The energy efficiency percentage and the percentages under subparagraph (A)(ii) shall be determined on a Btu basis.

**(iii) Input and output property not included**

The term “combined heat and power system property” does not include property used to transport the energy source to the facility or to distribute energy produced by the facility.

**(D) Systems using biomass**

If a system is designed to use biomass (within the meaning of paragraphs (2) and (3) of section 45(c) without regard to the last sentence of paragraph (3)(A)) for at least 90 percent of the energy source—

(i) subparagraph (A)(iii) shall not apply, but

(ii) the amount of credit determined under subsection (a) with respect to such system shall not exceed the amount which bears the same ratio to such amount of credit (determined without regard to this subparagraph) as the energy efficiency percentage of such system bears to 60 percent.

**(4) Qualified small wind energy property****(A) In general**

The term “qualified small wind energy property” means property which uses a qualifying small wind turbine to generate electricity.

**(B) Qualifying small wind turbine**

The term “qualifying small wind turbine” means a wind turbine which has a nameplate capacity of not more than 100 kilowatts.

**(C) Termination**

The term “qualified small wind energy property” shall not include any property the construction of which does not begin before January 1, 2022.

**(d) Coordination with Department of Treasury grants**

In the case of any property with respect to which the Secretary makes a grant under section 1603 of the American Recovery and Reinvestment Tax Act of 2009—

**(1) Denial of production and investment credits**

No credit shall be determined under this section or section 45 with respect to such property for the taxable year in which such grant is made or any subsequent taxable year.

**(2) Recapture of credits for progress expenditures made before grant**

If a credit was determined under this section with respect to such property for any taxable year ending before such grant is made—

(A) the tax imposed under subtitle A on the taxpayer for the taxable year in which such grant is made shall be increased by so much of such credit as was allowed under section 38,

(B) the general business carryforwards under section 39 shall be adjusted so as to re-

capture the portion of such credit which was not so allowed, and

(C) the amount of such grant shall be determined without regard to any reduction in the basis of such property by reason of such credit.

**(3) Treatment of grants**

Any such grant—

(A) shall not be includible in the gross income or alternative minimum taxable income of the taxpayer, but

(B) shall be taken into account in determining the basis of the property to which such grant relates, except that the basis of such property shall be reduced under section 50(c) in the same manner as a credit allowed under subsection (a).

(Added Pub. L. 87-834, §2(b), Oct. 16, 1962, 76 Stat. 967; amended Pub. L. 88-272, title II, §203(a)(1), (3)(A), (b), (c), Feb. 26, 1964, 78 Stat. 33, 34; Pub. L. 89-800, §1 Nov. 8, 1966, 80 Stat. 1508; Pub. L. 89-809, title II, §201(a), Nov. 13, 1966, 80 Stat. 1575; Pub. L. 90-26, §§1, 2(a), 3, June 13, 1967, 81 Stat. 57, 58; Pub. L. 91-172, title I, §121(d)(2)(A), title IV, §401(e)(2)-(4), Dec. 30, 1969, 83 Stat. 547, 603; Pub. L. 92-178, title I, §§102(a)(2), 103, 104(a)(1), (b)-(f)(1), (g), 108(b), (c), Dec. 10, 1971, 85 Stat. 499-502, 507; Pub. L. 94-12, title III, §§301(c)(1), 302(c)(3), title VI, §604(a), Mar. 29, 1975, 89 Stat. 38, 44, 65; Pub. L. 94-455, title VIII, §§802(b)(6), 804(a), title X, §1051(h)(1), title XIX, §§1901(a)(5), (b)(11)(A), 1906(b)(13)(A), title XXI, §2112(a)(1), Oct. 4, 1976, 90 Stat. 1583, 1591, 1647, 1764, 1795, 1834, 1905; Pub. L. 95-473, §2(a)(2)(A), Oct. 17, 1978, 92 Stat. 1464; Pub. L. 95-600, title I, §141(b), title III, §§312(c)(1)-(3), 314(a), (b), 315(a)-(c), title VII, §703(a)(3), (4), Nov. 6, 1978, 92 Stat. 2791, 2826-2829, 2939; Pub. L. 95-618, title III, §301(b), (d)(1), (2), Nov. 9, 1978, 92 Stat. 3195, 3199, 3200; Pub. L. 96-222, title I, §§101(a)(7)(G), (H), (L)(i)(I)-(IV), (ii)(III)-(VI), (iii)(II), (III), (v)(II)-(V), (M)(ii), (iii), 103(a)(2)(A), (4)(B), 108(c)(6), Apr. 1, 1980, 94 Stat. 198-201, 208, 209, 228; Pub. L. 96-223, title II, §§221(b), 222(a)-(e)(1), (f)-(i), 223(a)(1), (c)(1), Apr. 2, 1980, 94 Stat. 261-266; Pub. L. 96-451, title III, §302(a), Oct. 14, 1980, 94 Stat. 1991; Pub. L. 96-605, title I, §109(a), title II, §223(a), Dec. 28, 1980, 94 Stat. 3525, 3528; Pub. L. 97-34, title II, §§211(a)(2), (c), (e)(3), (4), (h), 212(a)(3), (b), (c), (d)(2)(A), 213(a), 214(a), (b), title III, §332(b), Aug. 13, 1981, 95 Stat. 227-229, 235, 236, 239, 240, 296; Pub. L. 97-248, title II, §§205(a)(1), (4), (5)(A), 209(c), Sept. 3, 1982, 96 Stat. 427, 429, 447; Pub. L. 97-354, §§3(d), 5(a)(7), (8), Oct. 19, 1982, 96 Stat. 1689, 1692; Pub. L. 97-362, title I, §104(a), Oct. 25, 1982, 96 Stat. 1729; Pub. L. 97-424, title V, §546(a), Jan. 6, 1983, 96 Stat. 2198; Pub. L. 97-448, title I, §102(e)(2)(A), (f)(2), (3), (6), title II, §202(c), title III, §306(a)(3), Jan. 12, 1983, 96 Stat. 2371, 2372, 2396, 2400; Pub. L. 98-369, div. A, title I, §§11, 31(b), (c), 111(e)(8), 113(a)(1), (b)(3), (4), 114(a), title IV, §§431(c), 474(o)(10)-(18), title VII, §§712(b), 721(x)(1), 735(c)(1), title X, §1043(a), July 18, 1984, 98 Stat. 503, 517, 518, 633, 635, 637, 638, 808, 836, 837, 946, 971, 981, 1044; Pub. L. 99-121, title I, §103(b)(5), Oct. 11, 1985, 99 Stat. 510; Pub. L. 99-514, title II, §251(b), (c), title VII, §701(e)(4)(C), title VIII, §803(b)(2)(B), title XII, §§1272(d)(5), 1275(c)(5), title XV, §1511(c)(3), title XVIII, §§1802(a)(4)(C), (5)(B), (9)(A), (B), 1809(d)(2), (e), 1847(b)(6),

1879(j)(1), Oct. 22, 1986, 100 Stat. 2184, 2186, 2343, 2355, 2594, 2599, 2745, 2788, 2789, 2821, 2856, 2908; Pub. L. 100-647, title I, §§1002(a)(14), (16)(A), (20), (29), (30), 1013(a)(41), Nov. 10, 1988, 102 Stat. 3355-3357, 3544; Pub. L. 101-508, title XI, §§11801(c)(6)(A), 11813(a), Nov. 5, 1990, 104 Stat. 1388-523, 1388-541; Pub. L. 102-227, title I, §106, Dec. 11, 1991, 105 Stat. 1687; Pub. L. 102-486, title XIX, §1916(a), Oct. 24, 1992, 106 Stat. 3024; Pub. L. 108-357, title III, §322(d)(2)(A), (B), title VII, §710(e), Oct. 22, 2004, 118 Stat. 1475, 1557; Pub. L. 109-58, title XIII, §§1336(a)-(d), 1337(a)-(c), Aug. 8, 2005, 119 Stat. 1036-1038; Pub. L. 109-135, title IV, §412(m), (n), Dec. 21, 2005, 119 Stat. 2638; Pub. L. 109-432, div. A, title II, §207, Dec. 20, 2006, 120 Stat. 2945; Pub. L. 110-172, §11(a)(8), (9), Dec. 29, 2007, 121 Stat. 2485; Pub. L. 110-343, div. B, title I, §§103(a), (c)-(e), 104(a)-(d), 105(a), Oct. 3, 2008, 122 Stat. 3811, 3813, 3814; Pub. L. 111-5, div. B, title I, §§1102(a), 1103(a), (b)(1), 1104, Feb. 17, 2009, 123 Stat. 319-321; Pub. L. 112-240, title IV, §407(b), (c)(1), Jan. 2, 2013, 126 Stat. 2341; Pub. L. 113-295, div. A, title I, §155(b), title II, §209(d), Dec. 19, 2014, 128 Stat. 4021, 4028; Pub. L. 114-113, div. P, title III, §§302(a), (b), 303(a)-(c), div. Q, title I, §187(b), Dec. 18, 2015, 129 Stat. 3038, 3039, 3074; Pub. L. 115-123, div. D, title I, §§40409(b), 40411(a)-(f), Feb. 9, 2018, 132 Stat. 150, 151; Pub. L. 115-141, div. U, title IV, §401(a)(20)-(23), (350), Mar. 23, 2018, 132 Stat. 1185, 1201; Pub. L. 116-94, div. Q, title I, §127(b), (c)(2)(B), Dec. 20, 2019, 133 Stat. 3232.)

## REFERENCES IN TEXT

The date of the enactment of the Revenue Reconciliation Act of 1990, referred to in subssecs. (a)(4)(D) and (b), is the date of enactment of Pub. L. 101-508, which was approved Nov. 5, 1990.

Section 1603 of the American Recovery and Reinvestment Tax Act of 2009, referred to in subsec. (d), is section 1603 of Pub. L. 111-5, which is set out as a note below.

## AMENDMENTS

2019—Subsec. (a)(5)(C)(ii). Pub. L. 116-94, §127(b), substituted “January 1, 2021” for “January 1, 2018 (January 1, 2020, in the case of any facility which is described in paragraph (1) of section 45(d))”.

Subsec. (a)(5)(E)(iv). Pub. L. 116-94, §127(c)(2)(B), added cl. (iv).

2018—Subsec. (a)(1). Pub. L. 115-141, §401(a)(20), substituted “and (3)(B)” for “(3)(B), and (4)(B)”.

Subsec. (a)(2)(A). Pub. L. 115-123, §40411(b)(2), substituted “paragraphs (6) and (7)” for “paragraph (6)” in introductory provisions.

Subsec. (a)(3)(A)(ii), (vii). Pub. L. 115-123, §40411(a), substituted “property the construction of which begins before January 1, 2022” for “periods ending before January 1, 2017”.

Subsec. (a)(5)(C)(ii). Pub. L. 115-141, §401(a)(350)(A), made technical amendment to directory language of Pub. L. 114-113, §302(a). See 2015 Amendment note below.

Pub. L. 115-123, §40409(b), substituted “January 1, 2018” for “January 1, 2017”.

Subsec. (a)(5)(E). Pub. L. 115-141, §401(a)(350)(B), made technical amendment to directory language of Pub. L. 114-113, §302(b). See 2015 Amendment note below.

Pub. L. 115-123, §40411(b)(3), inserted “which is treated as energy property by reason of this paragraph” after “using wind to produce electricity” in introductory provisions.

Subsec. (a)(6)(B). Pub. L. 115-141, §401(a)(21), substituted “energy property” for “property energy property”.

Subsec. (a)(7). Pub. L. 115-123, §40411(b)(1), added par. (7).

Subsec. (c)(1)(D). Pub. L. 115-123, §40411(c), substituted “the construction of which does not begin before January 1, 2022” for “for any period after December 31, 2016”.

Subsec. (c)(2)(B). Pub. L. 115-141, §401(a)(22), substituted “equal to \$200” for “equal \$200”.

Subsec. (c)(2)(D). Pub. L. 115-123, §40411(d), substituted “the construction of which does not begin before January 1, 2022” for “for any period after December 31, 2016”.

Subsec. (c)(3)(A)(iv). Pub. L. 115-123, §40411(e), substituted “the construction of which begins before January 1, 2022” for “which is placed in service before January 1, 2017”.

Subsec. (c)(4)(C). Pub. L. 115-123, §40411(f), substituted “the construction of which does not begin before January 1, 2022” for “for any period after December 31, 2016”.

Subsec. (d)(3). Pub. L. 115-141, §401(a)(23)(A), struck out “shall” after “grant” in introductory provisions.

Subsec. (d)(3)(A). Pub. L. 115-141, §401(a)(23)(B), inserted “shall” before “not”.

2015—Subsec. (a)(2)(A). Pub. L. 114-113, §303(c), substituted “Except as provided in paragraph (6), the energy percentage” for “The energy percentage” in introductory provisions.

Subsec. (a)(2)(A)(i)(II). Pub. L. 114-113, §303(a), substituted “property the construction of which begins before January 1, 2022” for “periods ending before January 1, 2017”.

Subsec. (a)(5)(C)(ii). Pub. L. 114-113, §187(b), substituted “January 1, 2017” for “January 1, 2015”.

Pub. L. 114-113, §302(a), as amended by Pub. L. 115-141, §401(a)(350)(A), inserted “(January 1, 2020, in the case of any facility which is described in paragraph (1) of section 45(d))” before “, and”.

Subsec. (a)(5)(E). Pub. L. 114-113, §302(b), as amended by Pub. L. 115-141, §401(a)(350)(B), added subpar. (E).

Subsec. (a)(6). Pub. L. 114-113, §303(b), added par. (6).

2014—Subsec. (a)(5)(C)(ii). Pub. L. 113-295, §155(b), substituted “January 1, 2015” for “January 1, 2014”.

Subsec. (d)(3)(A). Pub. L. 113-295, §209(d), inserted “or alternative minimum taxable income” after “inclusive in the gross income”.

2013—Subsec. (a)(5)(C). Pub. L. 112-240, §407(b), amended subpar. (C) generally. Prior to amendment, text read as follows: “For purposes of this paragraph, the term ‘qualified investment credit facility’ means any of the following facilities if no credit has been allowed under section 45 with respect to such facility and the taxpayer makes an irrevocable election to have this paragraph apply to such facility:

“(i) WIND FACILITIES.—Any qualified facility (within the meaning of section 45) described in paragraph (1) of section 45(d) if such facility is placed in service in 2009, 2010, 2011, or 2012.

“(ii) OTHER FACILITIES.—Any qualified facility (within the meaning of section 45) described in paragraph (2), (3), (4), (6), (7), (9), or (11) of section 45(d) if such facility is placed in service in 2009, 2010, 2011, 2012, or 2013.”

Subsec. (a)(5)(D)(iii), (iv). Pub. L. 112-240, §407(c)(1), added cls. (iii) and (iv).

2009—Subsec. (a)(4)(D). Pub. L. 111-5, §1103(b)(1), added subpar. (D).

Subsec. (a)(5). Pub. L. 111-5, §1102(a), added par. (5).

Subsec. (c)(4)(B) to (D). Pub. L. 111-5, §1103(a), redesignated subssecs. (C) and (D) as (B) and (C), respectively, and struck out former subpar. (B). Text of former subpar. (B) read as follows: “In the case of qualified small wind energy property placed in service during the taxable year, the credit otherwise determined under subsection (a)(1) for such year with respect to all such property of the taxpayer shall not exceed \$4,000.”

Subsec. (d). Pub. L. 111-5, §1104, added subsec. (d).

2008—Subsec. (a)(1). Pub. L. 110-343, §104(d), substituted “paragraphs (1)(B), (2)(B), (3)(B), and (4)(B)” for “paragraphs (1)(B), (2)(B), and (3)(B)”.

Pub. L. 110-343, § 103(c)(3), substituted “paragraphs (1)(B), (2)(B), and (3)(B)” for “paragraphs (1)(B) and (2)(B)”.

Subsec. (a)(2)(A)(i)(II). Pub. L. 110-343, § 103(a)(1), substituted “January 1, 2017” for “January 1, 2009”.

Subsec. (a)(2)(A)(i)(IV). Pub. L. 110-343, § 104(b), added subcl. (IV).

Subsec. (a)(3). Pub. L. 110-343, § 103(e)(1), in concluding provisions, struck out “The term ‘energy property’ shall not include any property which is public utility property (as defined in section 46(f)(5) as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990).” before “Such term”.

Subsec. (a)(3)(A)(ii). Pub. L. 110-343, § 103(a)(1), substituted “January 1, 2017” for “January 1, 2009”.

Subsec. (a)(3)(A)(v). Pub. L. 110-343, § 103(c)(1), added cl. (v).

Subsec. (a)(3)(A)(vi). Pub. L. 110-343, § 104(a), added cl. (vi).

Subsec. (a)(3)(A)(vii). Pub. L. 110-343, § 105(a), added cl. (vii).

Subsec. (c). Pub. L. 110-343, § 103(c)(2)(A), inserted heading and struck out former heading “Qualified fuel cell property; qualified microturbine property”.

Subsec. (c)(1)(B). Pub. L. 110-343, § 103(d), substituted “\$1,500” for “\$500”.

Subsec. (c)(1)(D). Pub. L. 110-343, § 103(e)(2)(A), redesignated subpar. (E) as (D) and struck out heading and text of former subpar. (D). Text read as follows: “The first sentence of the matter in subsection (a)(3) which follows subparagraph (D) thereof shall not apply to qualified fuel cell property which is used predominantly in the trade or business of the furnishing or sale of telephone service, telegraph service by means of domestic telegraph operations, or other telegraph services (other than international telegraph services).”

Subsec. (c)(1)(E). Pub. L. 110-343, § 103(e)(2)(A), redesignated subpar. (E) as (D).

Pub. L. 110-343, § 103(a)(2), substituted “December 31, 2016” for “December 31, 2008”.

Subsec. (c)(2)(D). Pub. L. 110-343, § 103(e)(2)(B), redesignated subpar. (E) as (D) and struck out heading and text of former subpar. (D). Text read as follows: “The first sentence of the matter in subsection (a)(3) which follows subparagraph (D) thereof shall not apply to qualified microturbine property which is used predominantly in the trade or business of the furnishing or sale of telephone service, telegraph service by means of domestic telegraph operations, or other telegraph services (other than international telegraph services).”

Subsec. (c)(2)(E). Pub. L. 110-343, § 103(e)(2)(B), redesignated subpar. (E) as (D).

Pub. L. 110-343, § 103(a)(3), substituted “December 31, 2016” for “December 31, 2008”.

Subsec. (c)(3). Pub. L. 110-343, § 103(c)(2)(B), added par. (3).

Subsec. (c)(4). Pub. L. 110-343, § 104(c), added par. (4). 2007—Subsec. (c). Pub. L. 110-172, § 11(a)(8), substituted “section” for “subsection” in introductory provisions.

Subsec. (c)(1)(B), (2)(B). Pub. L. 110-172, § 11(a)(9), substituted “subsection (a)” for “paragraph (1)”.

2006—Subsec. (a)(2)(A)(i)(II), (3)(A)(ii). Pub. L. 109-432, § 207(1), substituted “January 1, 2009” for “January 1, 2008”.

Subsec. (c)(1)(E), (2)(E). Pub. L. 109-432, § 207(2), substituted “December 31, 2008” for “December 31, 2007”.

2005—Subsec. (a)(1). Pub. L. 109-135, § 412(m), substituted “paragraphs (1)(B) and (2)(B) of subsection (c)” for “paragraph (1)(B) or (2)(B) of subsection (d)”.

Pub. L. 109-58, § 1336(d), inserted “except as provided in paragraph (1)(B) or (2)(B) of subsection (d),” before “the energy credit”.

Subsec. (a)(2)(A). Pub. L. 109-58, § 1337(a), reenacted heading without change and amended text of subpar. (A) generally. Prior to amendment, text read as follows: “The energy percentage is—

“(i) in the case of qualified fuel cell property, 30 percent, and

“(ii) in the case of any other energy property, 10 percent.”

Pub. L. 109-58, § 1336(c), reenacted heading without change and amended text of subpar. (A) generally. Prior to amendment, text read as follows: “The energy percentage is 10 percent.”

Subsec. (a)(3)(A)(i). Pub. L. 109-58, § 1337(c), inserted “excepting property used to generate energy for the purposes of heating a swimming pool,” after “solar process heat,”.

Subsec. (a)(3)(A)(ii). Pub. L. 109-135, § 412(n)(2), struck out “or” at end.

Pub. L. 109-58, § 1337(b), added cl. (ii). Former cl. (ii) redesignated (iii) relating to equipment used to produce, distribute, or use energy derived from a geothermal deposit.

Subsec. (a)(3)(A)(iii). Pub. L. 109-58, § 1337(b), redesignated cl. (ii) as (iii) relating to equipment used to produce, distribute, or use energy derived from a geothermal deposit.

Pub. L. 109-58, § 1336(a), added cl. (iii) relating to qualified fuel cell property or qualified microturbine property.

Subsec. (a)(3)(A)(iv). Pub. L. 109-135, § 412(n)(1), redesignated cl. (iii), relating to qualified fuel cell property or qualified microturbine property, as (iv).

Subsec. (c). Pub. L. 109-58, § 1336(b), added subsec. (c). 2004—Pub. L. 108-357, § 322(d)(2)(B), struck out “; reforestation credit” after “Energy credit” in section catchline.

Subsec. (a)(3). Pub. L. 108-357, § 710(e), inserted at end of concluding provisions “Such term shall not include any property which is part of a facility the production from which is allowed as a credit under section 45 for the taxable year or any prior taxable year.”

Subsec. (a)(5). Pub. L. 108-357, § 322(d)(2)(A)(iii), redesignated subsec. (a)(5) as (b).

Pub. L. 108-357, § 322(d)(2)(A)(ii), substituted “subsection (a)” for “this subsection”.

Subsec. (b). Pub. L. 108-357, § 322(d)(2)(A)(iii), redesignated subsec. (a)(5) as (b).

Pub. L. 108-357, § 322(d)(2)(A)(i), struck out heading and text of subsec. (b). Text read as follows:

“(1) IN GENERAL.—For purposes of section 46, the reforestation credit for any taxable year is 10 percent of the portion of the amortizable basis of any qualified timber property which was acquired during such taxable year and which is taken into account under section 194 (after the application of section 194(b)(1)).

“(2) DEFINITIONS.—For purposes of this subpart, the terms ‘amortizable basis’ and ‘qualified timber property’ have the respective meanings given to such terms by section 194.”

1992—Subsec. (a)(2). Pub. L. 102-486 substituted “The” for “Except as provided in subparagraph (B), the” in subpar. (A), redesignated subpar. (C) as (B), and struck out former subpar. (B) which read as follows: “(B) TERMINATION.—Effective with respect to periods after June 30, 1992, the energy percentage is zero. For purposes of the preceding sentence, rules similar to the rules of section 48(m) (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990) shall apply.”

1991—Subsec. (a)(2)(B). Pub. L. 102-227 substituted “June 30, 1992” for “December 31, 1991”.

1990—Pub. L. 101-508, § 11813(a), amended section generally, substituting section catchline for one which read: “Definitions; special rules” and in text substituting present provisions for provisions defining section 38 property, new section 38 property, used section 38 property, provisions relating to certain leased property, estates and trusts, special rules for qualified rehabilitated buildings, credit for movie and television films, treatment of energy property, application of certain transitional rules, definitions of certain credits, definition of single purpose agricultural or horticultural structure, basis adjustment to section 38 property, certain section 501(d) organizations, special rules relating to sound recordings, and a cross reference to section 381 of this title.

Subsec. (a)(8). Pub. L. 101-508, § 11801(c)(6)(A), struck out par. (8) “Amortized property” which read as fol-

lows: "Any property with respect to which an election under section 167(k), 184, or 188 applies shall not be treated as section 38 property."

1988—Subsec. (a)(1). Pub. L. 100-647, §1002(a)(29), which directed amendment of par. (1) by substituting "property to which section 168 applies" for "recovery property (within the meaning of section 168)" in penultimate sentence, was executed by making the substitution for "recovery property (within the meaning of section 168)", which results in retaining remaining parenthetical material and closing parenthesis.

Subsec. (a)(5)(A)(ii). Pub. L. 100-647, §1002(a)(14)(A)-(C), substituted "168(h)(2)(C)" for "168(j)(4)(C)", "168(h)(2)(A)(iii)" for "168(j)(4)(A)(iii)", and "168(h)(2)(B)" for "168(j)(4)(B)".

Subsec. (a)(5)(B)(i). Pub. L. 100-647, §1002(a)(14)(D), substituted "168(i)(3)" for "168(j)(6)".

Subsec. (a)(5)(B)(ii). Pub. L. 100-647, §1002(a)(14)(E), substituted "168(h)(1)(C)(ii)" for "168(j)(3)(C)(ii)".

Subsec. (a)(5)(D). Pub. L. 100-647, §1002(a)(14)(F), substituted "paragraphs (5) and (6) of section 168(h)" for "paragraphs (8) and (9) of section 168(j)".

Subsec. (a)(5)(E). Pub. L. 100-647, §1002(a)(14)(G), amended subpar. (E) generally, substituting "provision" for "provisions" and "168(h)" for "168(j)".

Subsec. (l)(2)(C). Pub. L. 100-647, §1002(a)(30), substituted "to which section 168 applies" for "which is recovery property (within the meaning of section 168)".

Subsec. (l)(11)(A)(ii). Pub. L. 100-647, §1013(a)(41), substituted "a private activity bond (within the meaning of section 141)" for "an industrial development bond (within the meaning of section 103(b)(2))".

Subsec. (s). Pub. L. 100-647, §1002(a)(20), redesignated subsec. (s), relating to cross reference, as (t).

Subsec. (s)(9). Pub. L. 100-647, §1002(a)(16)(A), added par. (9).

Subsec. (t). Pub. L. 100-647, §1002(a)(20), redesignated subsec. (s), relating to cross reference, as (t).

1986—Subsec. (a)(2)(B)(vii). Pub. L. 99-514, §§1272(d)(5), 1275(c)(5), struck out "932," after "931," and "or which is entitled to the benefits of section 934(b)" after "in effect under section 936", and substituted "or 933" for "933, or 934(c)".

Subsec. (a)(4). Pub. L. 99-514, §1802(a)(9)(A), substituted "514(b)" for "514(c)" and "514(a)" for "514(b)".

Subsec. (a)(5)(B)(iii). Pub. L. 99-514, §1802(a)(5)(B), struck out cl. (iii) which provided that (I) in the case of any aircraft used under a qualifying lease (as defined in section 47(a)(7)(C)) and which is leased to a foreign person or entity before January 1, 1990, clause (i) shall be applied by substituting "3 years" for "6 months" and that (II) for purposes of applying section 47(a)(1) and (5)(B) there shall not be taken into account any period of a lease to which subclause (I) applies.

Subsec. (a)(5)(D), (E). Pub. L. 99-514, §1802(a)(4)(C), added subpar. (D) and redesignated former subpar. (D) as (E).

Subsec. (b)(1). Pub. L. 99-514, §1809(e)(1), inserted "Such term includes any section 38 property the reconstruction of which is completed by the taxpayer, but only with respect to that portion of the basis which is properly attributable to such reconstruction."

Subsec. (b)(2). Pub. L. 99-514, §1809(e)(2), in introductory provisions substituted "the first sentence of paragraph (1)" for "paragraph (1)", in subpar. (B) substituted "3 months after" for "3 months of", in closing provisions substituted "used under the leaseback (or lease) referred to in subparagraph (B)" for "used under the lease" and inserted "The preceding sentence shall not apply to any property if the lessee and lessor of such property make an election under this sentence. Such an election, once made, may be revoked only with the consent of the Secretary."

Subsec. (d)(4)(D). Pub. L. 99-514, §701(e)(4)(C), inserted "(as in effect on the day before the date of the enactment of the Tax Reform Act of 1986)".

Subsec. (d)(6)(C)(ii). Pub. L. 99-514, §1511(c)(3), substituted "the underpayment rate" for "the rate" in closing provisions.

Subsec. (g)(1). Pub. L. 99-514, §251(b), amended par. (1) generally, restating in subpars. (A) to (D) provisions re-

lating to qualified rehabilitated buildings which had in subpar. (A) provided general definition of qualified rehabilitated building, in subpar. (B) directed that 30 years must have elapsed since construction, in subpar. (C) provided general definition of substantially rehabilitated with special rule for phased rehabilitation and application of provision to lessees, and in subpar. (D) provided that rehabilitation included reconstruction, and striking out former subpar. (E) which had provided an alternative test for definition of qualified rehabilitated building.

Subsec. (g)(2). Pub. L. 99-514, §251(b), amended par. (2) generally, in subpar. (A) striking out reference to amounts "incurred after December 31, 1981" in introductory provision, and in cl. (i) substituting subcls. (I) to (IV) for "for real property (or additions or improvements to real property) which have a recovery period (within the meaning of section 168) of 19 (15 years in the case of low-income housing) years," in subpar. (B), in cl. (i), substituting provision relating to use of straight line depreciation for provision relating to use of accelerated methods of depreciation, redesignating former cl. (vi) as (v) and substituting "section 168(h)" for "section 168(j)", redesignating former cl. (v) as (vi) and substituting "less than the recovery period determined under section 168(c)" for "less than 19 years (15 years in the case of low-income housing)", restating subpar. (C) without change, and in subpar. (D) substituting provisions defining nonresidential real property, residential rental property and class life for provisions defining low-income housing.

Subsec. (g)(2)(B)(vi)(I). Pub. L. 99-514, §1802(a)(9)(B), substituted "section 168(j)" for "section 168(j)(3)".

Subsec. (g)(3). Pub. L. 99-514, §251(b), in amending par. (3) generally, inserted introductory phrase "For purposes of this subsection—".

Subsec. (g)(4). Pub. L. 99-514, §251(b), in amending subsec. (g) generally, reenacted par. (4) without change.

Subsec. (l)(5). Pub. L. 99-514, §1847(b)(6), substituted "section 23(c)" for "section 44C(c)" and "section 23(c)(4)(A)(viii)" for "section 44C(c)(4)(A)(viii)".

Subsec. (q)(3). Pub. L. 99-514, §251(c), struck out "other than a certified historic structure" after "qualified rehabilitated building".

Subsec. (q)(7). Pub. L. 99-514, §1809(d)(2), renumbered par. (6), relating to special rule for qualified films, as (7).

Subsec. (r). Pub. L. 99-514, §1879(j)(1), added subsec. (r). Former subsec. (r) redesignated (s).

Subsec. (s). Pub. L. 99-514, §1879(j)(1), redesignated former subsec. (r) as (s).

Subsec. (s)(5). Pub. L. 99-514, §803(b)(2)(B), which directed the general amendment of par. (5) of subsec. (r), was executed by amending par. (5) of subsec. (s) to reflect the probable intent of Congress and the intervening redesignation of subsec. (r) as (s) by Pub. L. 99-514, §1879(j)(1), see note above. Prior to amendment, par. (5) read as follows: "For purposes of this subsection, the term "sound recording" means any sound recording described in section 280(c)(2)."

1985—Subsec. (g)(2)(A)(i), (B)(v). Pub. L. 99-121 substituted "19" for "18".

1984—Subsec. (a)(5). Pub. L. 98-369, §31(b), amended par. (5) generally, to extend its scope to encompass property used by foreign persons or entities and to create an exception for short-term leases by substituting provisions covered by subpars. (A) to (D) for former provisions which had directed that property used by the United States, any State or political subdivision thereof, any international organization, or any agency or instrumentality of any of the foregoing not be treated as section 38 property, that for purposes of that prohibition the International Telecommunications Satellite Consortium, the International Maritime Satellite Organization, and any successor organization of such Consortium or Organization not be treated as an international organization, and that if any qualified rehabilitated building were used by the governmental unit pursuant to a lease, this paragraph would not apply to that portion of the basis of such building attributable to qualified rehabilitation expenditures.

Subsec. (b). Pub. L. 98-369, §114(a), amended subsec. (b) generally, substituting a general definition of “new section 38 property” for definitions which made reference to property constructed, reconstructed or erected after December 31, 1961, and adding pars. (2) and (3).

Subsec. (c)(2)(A). Pub. L. 98-369, §11(a), substituted “\$125,000 (\$150,000 for taxable years beginning after 1987)” for “\$150,000 (\$125,000 for taxable years beginning in 1981, 1982, 1983, or 1984)” in first sentence, and “\$125,000 (or \$150,000)” for “\$150,000 (or \$125,000)” in two places in second sentence.

Subsec. (c)(2)(B). Pub. L. 98-369, §11(b), substituted “\$62,500 (\$75,000 for taxable years beginning after 1987)” for “\$75,000 (\$62,500 for taxable years beginning in 1981, 1982, 1983, or 1984)”.

Subsec. (c)(3)(B). Pub. L. 98-369, §474(o)(10), substituted “section 39” for “section 46(b)”.

Subsec. (d)(1)(B). Pub. L. 98-369, §474(o)(11), substituted “section 38(c)(3)(B)” for “section 46(a)(6)”.

Subsec. (d)(6). Pub. L. 98-369, §431(c), added par. (6).

Subsec. (f)(3). Pub. L. 98-369, §474(o)(12), struck out par. (3) which provided that the \$25,000 amount specified under subparagraphs (A) and (B) of section 46(a)(3) applicable to an estate or trust be reduced to an amount which bore the same ratio to \$25,000 as the amount of the qualified investment allocated to the estate or trust under paragraph (1) to the entire amount of the qualified investment.

Subsec. (g)(1)(E). Pub. L. 98-369, §1043(a), added subpar. (E).

Subsec. (g)(2)(A)(i). Pub. L. 98-369, §111(e)(8)(A), (B), substituted “real property” for “property” in two places, and “18 (15 years in the case of low-income housing)” for “15”.

Subsec. (g)(2)(B)(i). Pub. L. 98-369, §31(c)(2), inserted “The preceding sentence shall not apply to any expenditure to the extent subsection (f)(12) or (j) of section 168 applies to such expenditure.”

Subsec. (g)(2)(B)(v). Pub. L. 98-369, §111(e)(8)(C), substituted “18 years (15 years in the case of low-income housing)” for “15 years”.

Subsec. (g)(2)(B)(vi). Pub. L. 98-369, §31(c)(1), added cl. (vi).

Subsec. (g)(2)(D). Pub. L. 98-369, §111(e)(8)(D), added subpar. (D).

Subsec. (k)(4). Pub. L. 98-369, §113(b)(3)(B), inserted “or at-risk rules” after “test” in heading.

Subsec. (k)(4)(A). Pub. L. 98-369, §113(b)(3)(A), inserted “, section 46(c)(8), or section 46(c)(9)”.

Subsec. (k)(4)(B). Pub. L. 98-369, §113(b)(3)(C), substituted “used” for “issued”.

Subsec. (k)(5)(D)(i). Pub. L. 98-369, §721(x)(1), substituted “S corporation” for “electing small business corporation”.

Subsec. (l)(1). Pub. L. 98-369, §474(o)(13), substituted “section 46(b)(2)” for “section 46(a)(2)(C)”.

Subsec. (l)(16)(B)(i). Pub. L. 98-369, §735(c)(1), substituted “the chassis of which is an automobile bus chassis and the body of which is an automobile bus body” for “the chassis and body of which is exempt under section 4063(a)(6) from the tax imposed by section 4061(a)”.

Subsec. (m). Pub. L. 98-369, §474(o)(14), substituted “subsection (b)” for “subsection (a)(2)”.

Subsec. (n). Pub. L. 98-369, §474(o)(15), repealed subsec. (n). For continuing applicability of par. (4) of subsec. (n), see section 474(o)(15) of Pub. L. 98-369, set out in Effective Date of 1984 Amendment note below.

Subsec. (o)(3) to (8). Pub. L. 98-369, §474(o)(16), redesignated par. (8) as (3) and struck out former pars. (3) to (7) which defined “employee plan credit”, “basic employee plan credit”, “matching employee plan credit”, “basic employee plan percentage”, and “matching employee plan percentage”, respectively.

Subsec. (q)(1), (3). Pub. L. 98-369, §474(o)(17)(A), substituted “section 46(a)” for “section 46(a)(2)”.

Subsec. (q)(4)(A)(i). Pub. L. 98-369, §474(o)(17), substituted “section 46(a)” for “section 46(a)(2)” and “section 46(b)(1)” for “section 46(a)(2)(B)”.

Subsec. (q)(4)(B)(ii). Pub. L. 98-369, §474(o)(17)(B), substituted “section 46(b)(1)” for “section 46(a)(2)(B)”.

Subsec. (q)(6). Pub. L. 98-369, §712(b), added par. (6) relating to adjustment in basis of interest in partnership or S corporation.

Pub. L. 98-369, §113(b)(4), added par. (6) relating to special rule for qualified films.

Subsec. (r). Pub. L. 98-369, §113(a)(1), added subsec. (r). Former subsec. (r) redesignated (s).

Pub. L. 98-369, §474(o)(18), substituted “section 381(c)(26)” for “section 381(c)(23)”.

Subsec. (s). Pub. L. 98-369, §113(a)(1), redesignated former subsec. (r) as (s).

1983—Subsec. (a)(1)(G). Pub. L. 97-448, §102(e)(2)(A), inserted “(not including a building and its structural components) used in connection” after “storage facility”.

Subsec. (a)(10). Pub. L. 97-448, §202(c), amended directory language of Pub. L. 96-223, §223(a)(1), to correct an error, and did not involve any change in text. See 1980 Amendment note below.

Subsec. (g)(1)(C)(i). Pub. L. 97-448, §102(f)(2), (6), substituted “the 24-month period selected by the taxpayer (at the time and in the manner prescribed by regulation) and ending with or within the taxable year” for “the 24-month period ending on the last day of the taxable year” in provisions preceding subcl. (I), substituted “adjusted basis of such building (and its structural components)” for “adjusted basis of such property” both in subcl. (I) and in provision following subcl. (II), and, in provisions following subcl. (II), substituted “holding period of the building” for “holding period of the property” and inserted provision that, for purposes of the preceding sentence, the determination of the beginning of the holding period shall be made without regard to any reconstruction by the taxpayer in connection with the rehabilitation.

Subsec. (g)(5)(A). Pub. L. 97-448, §102(f)(3), substituted “a credit is determined under section 46(a)(2)” for “a credit is allowed under this section” and “the credit so determined” for “the credit so allowed”. See 1982 Amendment note for subsec. (g)(5) below and see Effective Date of 1982 and 1983 Amendment notes set out under sections 1 and 196 of this title.

Subsec. (l)(5). Pub. L. 97-424, §546(a)(3), substituted reference to subpar. (N) for reference to subpar. (M) in provision following subparagraphs.

Subsec. (l)(5)(M), (N). Pub. L. 97-424, §546(a)(1), (2), added subpar. (M) and redesignated former subpar. (M) as (N).

Subsec. (q)(3). Pub. L. 97-448, §306(a)(3), substituted “paragraphs (1) and (2) of this subsection and paragraph (5) of subsection (d)” for “paragraphs (1) and (2)”.

1982—Subsec. (b). Pub. L. 97-248, §209(c), inserted provision that for purposes of determining whether section 38 property subject to a lease is new section 38 property, such property shall be treated as originally placed in service not earlier than the date such property is used under the lease, but only if such property is leased within 3 months after such property is placed in service.

Subsec. (c)(2)(D). Pub. L. 97-354 substituted “Partnerships and S corporations” for “Partnerships” in subpar. heading, and inserted “A similar rule shall apply in the case of an S corporation and its shareholders”.

Subsec. (d)(5). Pub. L. 97-248, §205(a)(4), added par. (5).

Subsec. (e). Pub. L. 97-354, §5(a)(7), struck out subsec. (e) relating to apportionment among shareholders of qualified investments by an electing small business corporation.

Subsec. (g)(5). Pub. L. 97-248, §205(a)(5)(A), struck out par. (5) which, as amended by §102(f)(3) of Pub. L. 97-448, had provided that for purposes of this subtitle, if a credit were determined under section 46(a)(2) for any qualified rehabilitation expenditure in connection with a qualified rehabilitated building other than a certified historic structure, the increase in basis of such property which would (but for this paragraph) have resulted from such expenditure had to be reduced by the amount of the credit so determined, that if during any taxable year there was a recapture amount determined with respect to any qualified rehabilitated building the



basis of which was reduced under subpar. (A), the basis of such building (immediately before the event resulting in such recapture), had to be increased by an amount equal to such recapture amount, and that for purposes of this paragraph "recapture amount" was defined as any increase in tax (or adjustment in carrybacks or carryovers) determined under section 47(a)(5). See 1983 Amendment note for subsec. (g)(5) above and see Effective Date of 1982 and 1983 Amendment notes set out under sections 1 and 196 of this title.

Subsec. (k)(5)(D)(i). Pub. L. 97-354, §5(a)(8), substituted "an S corporation" for "an electing small business corporation (within the meaning of section 1371)".

Subsec. (l)(7). Pub. L. 97-362, §104(a), temporarily substituted the qualification that such term does not include equipment for hydrogenation, refining, or other process subsequent to retorting other than hydrogenation or other process which is applied in the vicinity of the property from which the shale was extracted and which is applied to bring the shale oil to a grade and quality suitable for transportation to and processing in a refinery, for the qualification that such equipment did not include equipment for hydrogenation, refining, or other processes subsequent to retorting. See Effective and Termination Dates of 1982 Amendment note below.

Subsecs. (q), (r). Pub. L. 97-248, §205(a)(1), added subsec. (q) and redesignated former subsec. (q) as (r).

1981—Subsec. (a)(1). Pub. L. 97-34, §211(e)(4), in provisions following subpar. (G), substituted "Such term includes only recovery property (within the meaning of section 168 without regard to any useful life) and any other property" for "Such term includes only property".

Subsec. (a)(1)(G). Pub. L. 97-34, §211(c), added subpar. (G).

Subsec. (a)(2)(B)(ii). Pub. L. 97-34, §211(h), designated existing provisions as subcl. (I) and added subcl. (II).

Subsec. (a)(3)(D). Pub. L. 97-34, §212(c), added subpar. (D).

Subsec. (a)(4). Pub. L. 97-34, §214(a), inserted provision that, if any qualified rehabilitated building is used by the tax-exempt organization pursuant to a lease, this paragraph shall not apply to that portion of the basis of such building which is attributable to qualified rehabilitation expenditures.

Subsec. (a)(5). Pub. L. 97-34, §214(b), inserted provision that, if any qualified rehabilitated building is used by the governmental unit pursuant to a lease, this paragraph shall not apply to that portion of the basis of such building which is attributable to qualified rehabilitation expenditures.

Subsec. (a)(8). Pub. L. 97-34, §212(d)(2)(A), substituted "or 188" for "188, or 191".

Subsec. (a)(9). Pub. L. 97-34, §211(a)(2), struck out par. (9) which set out a special rule for the depreciation of railroad track.

Subsec. (c)(2)(A) to (C). Pub. L. 97-34, §213(a), amended subpars. (A) to (C) generally raising in subpar. (A) the existing \$100,000 dollar limitation to \$125,000 in 1981 and to \$150,000 in 1985 and in subpar. (B) the existing \$50,000 dollar limitation to \$62,500 in 1981 and to \$75,000 in 1985.

Subsec. (g). Pub. L. 97-34, §212(b), in amending subsec. (c) generally incorporated the concept of "substantial rehabilitation" into par. (1)(A), substituted "30 years" for "20 years" as the requisite period in par. (1)(B), substituted a definition of "substantially rehabilitated" for former provisions that a major portion could be treated as a separate building in certain cases in par. (1)(C), reenacted par. (1)(D) without change, substituted "December 31, 1981" for "October 31, 1978" in provisions of par. (2)(A) preceding cl. (i), substituted provisions for a recovery period of 15 years for provisions that had provided for a useful life of 5 years or more in cl. (i) of par. (2)(A), reenacted cl. (ii) without change, substituted provisions that accelerated methods of depreciation may not be used for provisions relating to property otherwise section 38 property in cl. (i) of par.

(2)(B), reenacted cls. (ii) and (iii) without change, revised the provisions of cl. (iv) relating to certified historic structures, and added cl. (v) relating to expenditures for lessees, added par. (3), redesignated former par. (3) as (4), and added par. (5).

Subsec. (l)(2)(C). Pub. L. 97-34, §211(e)(3), inserted "or which is recovery property (within the meaning of section 168)" after "3 years or more".

Subsec. (n)(1)(A)(i). Pub. L. 97-34, §332(b), substituted "which does not exceed" for "equal to".

Subsec. (o)(8). Pub. L. 97-34, §212(a)(3), added par. (8).

1980—Subsec. (a)(1). Pub. L. 96-451 added subpar. (F) and provision for treatment of the useful life of subpar. (F) property as its normal growing period.

Subsec. (a)(2)(B)(xi). Pub. L. 96-223, §222(i)(2), added cl. (xi).

Subsec. (a)(5). Pub. L. 96-605, §109(a), included the International Maritime Satellite Organization or any successor organization within organizations not to be treated as international organizations.

Subsec. (a)(7)(B). Pub. L. 95-600, §312(c)(2), as amended by Pub. L. 96-222, §103(a)(2)(A), substituted "described in section 50 (as in effect before its repeal by the Revenue Act of 1978)" for "described in section 50".

Subsec. (a)(10)(A). Pub. L. 96-223, §223(a)(1), as amended by Pub. L. 97-448, §202(c), provided that "petroleum or petroleum products" does not include petroleum coke or petroleum pitch.

Subsec. (a)(10)(B). Pub. L. 96-222, §108(c)(6), substituted "5" for "51".

Subsec. (g)(2)(B)(i). Pub. L. 96-222, §103(a)(4)(B), substituted "subsections (a)(1)(E) and (l)" for "subsection (a)(1)(E)".

Subsec. (l)(1). Pub. L. 96-223, §221(b)(1), substituted "For any period for which the energy percentage determined under section 46(a)(2)(C) for any energy property is greater than zero" for "For the period beginning on October 1, 1978, and ending on December 31, 1982" in provisions preceding subpar. (A) and, in subpars. (A) and (B), substituted "such energy property" and "such property" for "any energy property".

Subsec. (l)(2)(A). Pub. L. 96-223, §222(a), added cls. (vii), (viii), and (ix).

Subsec. (l)(3)(A). Pub. L. 96-223, §222(b), (g)(2), struck out "(other than coke or coke gas)" after "solid fuel" in cl. (iii) and, in cl. (v), substituted provisions relating to equipment which converts coal into a substitute for a petroleum or natural gas derived feedstock for the manufacture of chemicals or other products and equipment which converts coal into methanol, ammonia, or hydroprocessed coal liquid or solid for provisions which had related simply to equipment which used coal as feedstock for the manufacture of chemicals or other products other than coke or coke gas, added cl. (ix), and, following cl. (ix), inserted provision that the equipment described in cl. (vii) includes equipment used for the storage of fuel derived from garbage at the site at which such fuel was produced from garbage.

Subsec. (l)(3)(B). Pub. L. 96-223, §222(i)(1)(A), redesignated subpar. (C) as (B). Former subpar. (B), which excluded public utility property from the terms "alternative energy property", "solar or wind energy property", or "recycling equipment", was struck out.

Subsec. (l)(3)(C), (D). Pub. L. 96-223, §222(i)(1)(A), (3), redesignated subpar. (D) as (C) and inserted following cl. (ii) provision that, for the purposes of the preceding sentence, in the case of property which is alternative energy property solely by reason of the amendments made by section 222(b) of the Crude Oil Windfall Profit Tax Act of 1980, "January 1, 1980" was to be substituted for "October 1, 1978". Former subpar. (C) redesignated (B).

Subsec. (l)(4)(C). Pub. L. 96-223, §222(c), added subpar. (C).

Subsec. (l)(5). Pub. L. 96-223, §222(d), added subpar. (L), redesignated former subpar. (L) as (M), and inserted provision that the Secretary shall not specify any property under subpar. (M) unless he determines that such specification meets the requirements of par. (9) of section 44C(c) for specification of items under section 44C(c)(4)(A)(viii).

Subsec. (l)(11). Pub. L. 96-223, § 221(b)(2), substituted “one-half of the energy percentage determined under section 46(a)(2)(C)” for “5 percent”.

Pub. L. 96-223, § 223(c)(1), completely revised par. (11) to incorporate property financed by subsidized energy financing, effective with regard to periods after Dec. 31, 1982. Prior to the revision par. (11) read as follows: “In the case of property which is financed in whole or in part by the proceeds of an industrial development bond (within the meaning of section 103(b)(2)) the interest on which is exempt from tax under section 103, the energy percentage shall be one-half of the energy percentage determined under section 46(a)(2)(C).”

Subsec. (l)(13). Pub. L. 96-223, § 222(e)(1), added par. (13).

Subsec. (l)(14). Pub. L. 96-223, § 222(f), added par. (14).

Subsec. (l)(15). Pub. L. 96-223, § 222(g)(1), added par. (15).

Subsec. (l)(16). Pub. L. 96-223, § 222(h), added par. (16).

Subsec. (l)(17). Pub. L. 96-223, § 222(i)(1)(B), added par. (17).

Subsec. (n). Pub. L. 96-222, § 101(a)(7)(G), (H), (L)(i)(I)–(IV), (ii)(III)–(VI), (iii)(II), (v)(II)–(IV), (M)(ii), amended subsec. (n) generally to reflect the renaming of an investment tax credit ESOP to a tax credit employee stock ownership plan and a leveraged employee stock ownership plan (commonly referred to as an ESOP) to an employee stock ownership plan.

Subsec. (n)(6)(B)(i). Pub. L. 96-605, § 223(a), substituted “the date on which the securities are contributed to the plan” for “the due date for filing the return for the taxable year (determined with regard to extensions)”.

Subsec. (o). Pub. L. 96-222, § 101(a)(7)(L)(iii)(III), (v)(IV), (V), (M)(iii), substituted “employee plan” for “ESOP” wherever appearing and inserted “percentage” after “attributable to the matching employee plan” in par. (5).

1978—Subsec. (a)(1)(A). Pub. L. 95-618, § 301(d)(1), inserted “(other than an air conditioning or heating unit)” after “personal property”.

Subsec. (a)(1)(D). Pub. L. 95-600, § 314(a), added par. (D).

Subsec. (a)(1)(E). Pub. L. 95-600, § 315(a), added par. (E).

Subsec. (a)(2)(B)(ii). Pub. L. 95-473, § 2(a)(2)(A), substituted “providing transportation subject to subchapter I of chapter 105 of title 49” for “subject to part I of the Interstate Commerce Act”.

Subsec. (a)(7)(A). Pub. L. 95-600, § 312(c)(3), struck out “(other than pretermination property)” after “Property”.

Subsec. (a)(7)(B). Pub. L. 95-600, § 312(c)(2), struck out “described in section 50” after “with respect to property”. See 1980 Amendment note above.

Subsec. (a)(8). Pub. L. 95-600, § 315(c), substituted “188, or 191” for “or 188”.

Subsec. (a)(10). Pub. L. 95-618, § 301(d)(2), added par. (10).

Subsec. (d)(1)(B). Pub. L. 95-600, § 703(a)(3), substituted “section 46(a)(6)” for “section 46(a)(5)”.

Subsec. (d)(4)(D). Pub. L. 95-600, § 703(a)(4), substituted “section 57(c)(1)(B)” for “section 57(c)(2)”.

Subsec. (g). Pub. L. 95-600, § 315(b), added subsec. (g).

Subsec. (h). Pub. L. 95-600, § 312(c)(1), struck out subsec. (h) which related to suspension of investment credit.

Subsec. (i). Pub. L. 95-600, § 312(c)(1), struck out subsec. (i) which related to an exemption from suspension of \$20,000 of investment.

Subsec. (j). Pub. L. 95-600, § 312(c)(1), struck out subsec. (j) which defined “suspension period”.

Subsecs. (l), (m). Pub. L. 95-618, § 301(b), added subsecs. (l) and (m) and redesignated former subsec. (l) as (n).

Subsec. (n). Pub. L. 95-618, § 301(b), redesignated former subsec. (l) as (n).

Pub. L. 95-600, § 141(b), added subsec. (n). Former subsec. (n) redesignated (p).

Subsec. (o). Pub. L. 95-600, § 141(b), added subsec. (o).

Subsecs. (p), (q). Pub. L. 95-600, §§ 141(b), 314(b), added subsec. (p). Former subsec. (n) redesignated (p) and subsequently as (q).

1976—Subsec. (a)(2)(B)(vi). Pub. L. 94-455, § 1901(a)(5)(A), substituted “(43 U.S.C. 1331)” for “; 43 U.S.C., sec. 1331”.

Subsec. (a)(2)(B)(vii). Pub. L. 94-455, § 1051(h)(1), substituted “(other than a corporation which has an election in effect under section 936 or which is entitled to the benefits of section 934(b))” for “(other than a corporation entitled to the benefits of section 931 or 934(b))”.

Subsec. (a)(2)(B)(viii). Pub. L. 94-455, § 1901(a)(5)(B), substituted “47 U.S.C. 702” for “47 U.S.C., sec. 702”.

Subsec. (a)(8). Pub. L. 94-455, §§ 1901(b)(11)(A), 2112(a)(1), struck out “169,” after “section 167(k),”, “187,” before “or 188 applies”, and provisions relating to the limitation of the applicability of this paragraph on property to which section 169 applies.

Subsecs. (c)(2)(A), (d)(1), (2)(A). Pub. L. 94-455, § 1906(b)(13)(A), struck out “or his delegate” after “Secretary”.

Subsec. (f). Pub. L. 94-455, § 802(b)(6), substituted “section 46(a)(3)” for “section 46(a)(2)”.

Subsec. (i)(2). Pub. L. 94-455, § 1906(b)(13)(A), struck out “or his delegate” after “Secretary”.

Subsecs. (k), (l). Pub. L. 94-455, § 804(a), added subsec. (k) and redesignated former subsec. (k) as subsec. (l).

1975—Subsec. (a)(2)(B). Pub. L. 94-12, § 604(a), substituted “territorial waters within the northern portion of the Western Hemisphere” for “territorial waters” in cl. (x) and inserted definition of “northern portion of the Western Hemisphere” following cl. (x).

Subsec. (c)(2)(A). Pub. L. 94-12 § 301(c)(1)(A), substituted “\$100,000” for “\$50,000”.

Subsec. (c)(2)(B). Pub. L. 94-12, § 301(c)(1)(A), (B), substituted “\$50,000” for “\$25,000” and “\$100,000” for “\$50,000”.

Subsec. (c)(2)(C). Pub. L. 94-12, § 301(c)(1)(A), substituted “\$100,000” for “\$50,000”.

Subsec. (d)(1), (2)(A). Pub. L. 94-12, § 302(c)(3), substituted “section 46(e)(1)” for “section 46(d)(1)”.

1971—Subsec. (a)(1). Pub. L. 92-178, § 102(a)(2), substituted “3 years” for “4 years” in second sentence.

Subsec. (a)(1)(B)(ii), (iii). Pub. L. 92-178, § 104(a)(1), substituted “research facility” for “research or storage facility” in cl. (ii) and added cl. (iii).

Subsec. (a)(2)(B). Pub. L. 92-178, § 104(c)(2), (3), (d), added cls. (viii) to (x), respectively.

Subsec. (a)(3)(C). Pub. L. 92-178, § 104(b), added subpar. (C).

Subsec. (a)(5). Pub. L. 92-178, § 104(c)(1), inserted “(other than the International Telecommunications Satellite Consortium or any successor organization)” after “international organization”.

Subsec. (a)(6). Pub. L. 92-178, § 104(e), substituted provisions for treatment of livestock (other than horses) acquired by the taxpayer as section 38 property, with exception provision for reduction of acquisition cost by amount equal to amount realized on sale or other disposition under certain circumstances, and for nontreatment of horses as section 38 property for former provision that livestock shall not be treated as section 38 property.

Subsec. (a)(7) to (9). Pub. L. 92-178, §§ 103, 104(f)(1), (g), added pars. (7) to (9), respectively.

Subsec. (d). Pub. L. 92-178, § 108(b) and (c), substituted “section 46(d)(1)” for “section 46(d)”; and designated as par. (1) the present first sentence, redesignated as subpars. (A) and (B) provisions formerly designated cls. (1) and (2), again substituted “section 46(d)(1)” for “section 46(d)” in par. (1) and inserted “(other than property described in paragraph (4))” in par. (1), added pars. (2) and (4), incorporated provisions of former second, third, and fourth sentences in provisions designated as par. (3), substituted in par. (3) “the lessee shall be treated for all purposes of this subpart as having acquired a fractional portion of such property equal to the fraction determined under paragraph (2)(B) with respect to such property” for “the lessee shall be treated for all purposes of this subpart as having acquired such property”, and struck out former fifth and sixth sentences respecting election regarding treatment of leases of

suspension period property and section 38 property. See Effective Date of 1971 Amendment note below.

1969—Subsec. (a)(4). Pub. L. 91-172, § 121(d)(2)(A), inserted provision relating to the percentage of the basis or cost of debt-financed property that may be considered in computing qualified investment under section 46(c) of this title.

Subsec. (c)(2)(C). Pub. L. 91-172, § 401(e)(2), reenacted subpar. (C) with minor changes and substituted reference to controlled group for reference to affiliated group.

Subsec. (c)(3)(C). Pub. L. 91-172, § 401(e)(3), substituted definition of controlled group for definition of affiliated group.

Subsec. (d)(2). Pub. L. 91-172, § 401(e)(4), substituted reference to a component member of a controlled group for reference to a member of an affiliated group.

1967—Subsec. (a)(2)(B)(i). Pub. L. 90-26, § 3, inserted “or is operated under contract with the United States” after “the United States”.

Subsec. (h)(2). Pub. L. 90-26, § 2(a), limited definition of suspension period property to section 38 property where the physical construction, reconstruction or erection was begun before May 24, 1967, pursuant to an order placed during the suspension period, subject to the proviso that in applying the definition to property the physical construction, reconstruction or erection of which was begun before May 24, 1967, only that portion of the basis properly attributable to construction, reconstruction or erection before May 24, 1967 be taken into account.

Subsec. (j). Pub. L. 90-26, § 1, substituted “March 9, 1967” for “December 31, 1967”.

1966—Subsec. (a)(2)(B). Pub. L. 89-809 added cl. (vii).

Subsec. (d). Pub. L. 89-800, § 1(b), inserted provisions covering the treatment of suspension period property, and the elections to be deemed made in connection therewith.

Subsecs. (h) to (k). Pub. L. 89-800, § 1(a), added subsecs. (h) to (j) and redesignated former subsec. (h) as (k).

1964—Subsec. (a)(1)(C). Pub. L. 88-272, § 203(c)(2), added subpar. (C).

Subsec. (d). Pub. L. 88-272, § 203(a)(3)(A), (b), substituted “except as provided in paragraph (2)” for “if such property was constructed by the lessor (or by a corporation which controls or is controlled by the lessor within the meaning of section 368(c))” in par. (1), “if such property is leased by a corporation which is a member of an affiliated group (within the meaning of section 46(a)(5) to another corporation which is a member of the same affiliated group” for “if paragraph (1) does not apply” in par. (2), and deleted provisions which stated that if a lessor made an election under this subsection, subsec. (g) would not apply with respect to such property, and deductions otherwise allowable under section 162 to the lessee for amounts paid the lessor would be adjusted consistent with subsec. (g).

Subsec. (g). Pub. L. 88-272, § 203(a)(1), repealed subsec. (g) which required that the basis of section 38 property be reduced by 7 percent of the qualified investment.

#### EFFECTIVE DATE OF 2019 AMENDMENT

Amendment by Pub. L. 116-94 effective on Jan. 1, 2018, see section 127(d) of Pub. L. 116-94, set out as a note under section 45 of this title.

#### EFFECTIVE DATE OF 2018 AMENDMENT

Amendment by section 40409(b) of Pub. L. 115-123 effective on Jan. 1, 2017, see section 40409(c) of Pub. L. 115-123, set out as a note under section 45 of this title.

Pub. L. 115-123, div. D, title I, § 40411(g), Feb. 9, 2018, 132 Stat. 151, provided that:

“(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section [amending this section] shall apply to periods after December 31, 2016, under rules similar to the rules of section 48(m) of the Internal Revenue Code of 1986 (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990 [Nov. 5, 1990]).

“(2) EXTENSION OF COMBINED HEAT AND POWER SYSTEM PROPERTY.—The amendment made by subsection (e) [amending this section] shall apply to property placed in service after December 31, 2016.

“(3) PHASEOUTS AND TERMINATIONS.—The amendments made by subsection (b) [amending this section] shall take effect on the date of the enactment of this Act [Feb. 9, 2018].”

#### EFFECTIVE DATE OF 2015 AMENDMENT

Pub. L. 114-113, div. P, title III, § 302(c), Dec. 18, 2015, 129 Stat. 3039, provided that: “The amendments made by this section [amending this section] shall take effect on January 1, 2015.”

Pub. L. 114-113, div. P, title III, § 303(d), Dec. 18, 2015, 129 Stat. 3039, provided that: “The amendments made by this section [amending this section] shall take effect on the date of the enactment of this Act [Dec. 18, 2015].”

Amendment by section 187(b) of Pub. L. 114-113 effective Jan. 1, 2015, see section 187(c) of Pub. L. 114-113, set out as a note under section 45 of this title.

#### EFFECTIVE DATE OF 2014 AMENDMENT

Amendment by section 155(b) of Pub. L. 113-295 effective Jan. 1, 2014, see section 155(c) of Pub. L. 113-295, set out as a note under section 45 of this title.

Amendment by section 209(d) of Pub. L. 113-295 effective as if included in the provisions of the American Recovery and Reinvestment Tax Act of 2009, Pub. L. 111-5, div. B, title I, to which such amendment relates, see section 209(k) of Pub. L. 113-295, set out as a note under section 24 of this title.

#### EFFECTIVE DATE OF 2013 AMENDMENT

Amendment by Pub. L. 112-240 effective on Jan. 2, 2013, and amendment by section 407(c)(1) of Pub. L. 112-240 applicable as if included in the enactment of the provisions of the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5, to which it relates, see section 407(d) of Pub. L. 112-240, set out as a note under section 45 of this title.

#### EFFECTIVE DATE OF 2009 AMENDMENT

Pub. L. 111-5, div. B, title I, § 1102(b), Feb. 17, 2009, 123 Stat. 320, provided that: “The amendments made by this section [amending this section] shall apply to facilities placed in service after December 31, 2008.”

Amendment by section 1103(a), (b)(1) of Pub. L. 111-5 applicable to periods after Dec. 31, 2008, under rules similar to the rules of subsec. (m) of this section as in effect on the day before Nov. 5, 1990, see section 1103(c)(1) of Pub. L. 111-5, set out as a note under section 25C of this title.

#### EFFECTIVE DATE OF 2008 AMENDMENT

Pub. L. 110-343, div. B, title I, § 103(f), Oct. 3, 2008, 122 Stat. 3813, provided that:

“(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section [amending this section and section 38 of this title] shall take effect on the date of the enactment of this Act [Oct. 3, 2008].

“(2) ALLOWANCE AGAINST ALTERNATIVE MINIMUM TAX.—The amendments made by subsection (b) [amending section 38 of this title] shall apply to credits determined under section 46 of the Internal Revenue Code of 1986 in taxable years beginning after the date of the enactment of this Act and to carrybacks of such credits.

“(3) COMBINED HEAT AND POWER AND FUEL CELL PROPERTY.—The amendments made by subsections (c) and (d) [amending this section] shall apply to periods after the date of the enactment of this Act, in taxable years ending after such date, under rules similar to the rules of section 48(m) of the Internal Revenue Code of 1986 (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990 [Nov. 5, 1990]).

“(4) PUBLIC UTILITY PROPERTY.—The amendments made by subsection (e) [amending this section] shall

apply to periods after February 13, 2008, in taxable years ending after such date, under rules similar to the rules of section 48(m) of the Internal Revenue Code of 1986 (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990)."

Pub. L. 110-343, div. B, title I, §104(e), Oct. 3, 2008, 122 Stat. 3814, provided that: "The amendments made by this section [amending this section] shall apply to periods after the date of the enactment of this Act [Oct. 3, 2008], in taxable years ending after such date, under rules similar to the rules of section 48(m) of the Internal Revenue Code of 1986 (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990 [Nov. 5, 1990])."

Pub. L. 110-343, div. B, title I, §105(b), Oct. 3, 2008, 122 Stat. 3814, provided that: "The amendments made by this section [amending this section] shall apply to periods after the date of the enactment of this Act [Oct. 3, 2008], in taxable years ending after such date, under rules similar to the rules of section 48(m) of the Internal Revenue Code of 1986 (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990 [Nov. 5, 1990])."

#### EFFECTIVE DATE OF 2005 AMENDMENT

Pub. L. 109-58, title XIII, §1336(e), Aug. 8, 2005, 119 Stat. 1038, provided that: "The amendments made by this section [amending this section] shall apply to periods after December 31, 2005, in taxable years ending after such date, under rules similar to the rules of section 48(m) of the Internal Revenue Code of 1986 (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990 [Nov. 5, 1990])."

Pub. L. 109-58, title XIII, §1337(d), Aug. 8, 2005, 119 Stat. 1038, provided that: "The amendments made by this section [amending this section] shall apply to periods after December 31, 2005, in taxable years ending after such date, under rules similar to the rules of section 48(m) of the Internal Revenue Code of 1986 (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990 [Nov. 5, 1990])."

#### EFFECTIVE DATE OF 2004 AMENDMENT

Amendment by section 322(d)(2)(A), (B) of Pub. L. 108-357 applicable with respect to expenditures paid or incurred after Oct. 22, 2004, see section 322(e) of Pub. L. 108-357, set out as a note under section 46 of this title.

Amendment by section 710(e) of Pub. L. 108-357 applicable, except as otherwise provided, to electricity produced and sold after Oct. 22, 2004, in taxable years ending after such date, see section 710(g) of Pub. L. 108-357, as amended, set out as a note under section 45 of this title.

#### EFFECTIVE DATE OF 1992 AMENDMENT

Pub. L. 102-486, title XIX, §1916(b), Oct. 24, 1992, 106 Stat. 3024, provided that: "The amendments made by this section [amending this section] shall take effect on June 30, 1992."

#### EFFECTIVE DATE OF 1990 AMENDMENT

Amendment by section 11813(a) of Pub. L. 101-508 applicable to property placed in service after Dec. 31, 1990, but not applicable to any transition property (as defined in section 49(e) of this title), any property with respect to which qualified progress expenditures were previously taken into account under section 46(d) of this title, and any property described in section 46(b)(2)(C) of this title, as such sections were in effect on Nov. 4, 1990, see section 11813(c) of Pub. L. 101-508, set out as a note under section 45K of this title.

#### EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100-647 effective, except as otherwise provided, as if included in the provision of the Tax Reform Act of 1986, Pub. L. 99-514, to which such amendment relates, see section 1019(a) of Pub. L. 100-647, set out as a note under section 1 of this title.

#### EFFECTIVE DATE OF 1986 AMENDMENT

If any interest costs incurred after Dec. 31, 1986, are attributable to costs incurred before Jan. 1, 1987, the amendment by section 803(b)(2)(B) of Pub. L. 99-514 is applicable to such interest costs only to the extent such interest costs are attributable to costs which were required to be capitalized under section 263 of the Internal Revenue Code of 1954 and which would have been taken into account in applying section 189 of the Internal Revenue Code of 1954 (as in effect before its repeal by section 803 of Pub. L. 99-514) or, if applicable, section 266 of such Code, see section 7831(d)(2) of Pub. L. 101-239, set out as an Effective Date note under section 263A of this title.

Amendment by section 251(b), (c) of Pub. L. 99-514 applicable to property placed in service after Dec. 31, 1986, in taxable years ending after such date, except as otherwise provided for certain rehabilitations, see section 251(d) of Pub. L. 99-514, set out as a note under section 46 of this title.

Amendment by section 701(e)(4)(C) of Pub. L. 99-514 applicable to taxable years beginning after Dec. 31, 1986, with certain exceptions and qualifications, see section 701(f) of Pub. L. 99-514, set out as an Effective Date note under section 55 of this title.

Amendment by section 803(b)(2)(B) of Pub. L. 99-514 applicable to costs incurred after Dec. 31, 1986, in taxable years ending after such date, except as otherwise provided, see section 803(d) of Pub. L. 99-514, set out as an Effective Date note under section 263A of this title.

Amendment by sections 1272(d)(5) and 1275(c)(5) of Pub. L. 99-514 applicable to taxable years beginning after Dec. 31, 1986, with certain exceptions and qualifications, see section 1277 of Pub. L. 99-514, set out as a note under section 931 of this title.

Amendment by section 1511(c)(3) of Pub. L. 99-514 applicable for purposes of determining interest for periods after Dec. 31, 1986, see section 1511(d) of Pub. L. 99-514, set out as a note under section 47 of this title.

Pub. L. 99-514, title XVIII, §1879(j)(2), Oct. 22, 1986, 100 Stat. 2909, provided that: "The amendments made by this subsection [amending this section] shall apply to periods after December 31, 1978 (under rules similar to the rules of section 48(m) of the Internal Revenue Code of 1954 [now 1986]), in taxable years ending after such date."

Pub. L. 99-514, title XVIII, §1881, Oct. 22, 1986, 100 Stat. 2914, provided that: "Except as otherwise provided in this subtitle, any amendment made by this subtitle [subtitle A (§§1801-1881) of title XVIII of Pub. L. 99-514, see Tables for classification] shall take effect as if included in the provision of the Tax Reform Act of 1984 [Pub. L. 98-369, div. A] to which such amendment relates."

#### EFFECTIVE DATE OF 1985 AMENDMENT

Amendment by Pub. L. 99-121 applicable with respect to property placed in service by the taxpayer after May 8, 1985, with specified exceptions, but amendment of subsec. (g)(2)(B)(v) not applicable to leases entered into before May 22, 1985, if the lessee signed the lease before May 17, 1985, see section 105(b)(1), (5) of Pub. L. 99-121, set out as a note under section 168 of this title.

#### EFFECTIVE DATE OF 1984 AMENDMENT

Pub. L. 98-369, div. A, title I, §18, July 18, 1984, 98 Stat. 506, provided that:

"(a) GENERAL RULE.—The amendments made by this part [part I (§§11-18) of subtitle A of title I of div. A of Pub. L. 98-369, amending this section and sections 41, 46, 57, 128, 168, 179, 265, 415, 854, 857, and 911 of this title, enacting provisions set out as a note under section 168 of this title, and amending provisions set out as notes under sections 128 and 168 of this title] shall apply to taxable years ending after December 31, 1983.

"(b) SPECIAL RULE FOR SECTION 14.—The amendment made by section 14 [amending section 41 of this title] shall not apply in the case of a tax credit employee stock ownership plan if—

“(1) such plan was favorably approved on September 23, 1983, by employees, and

“(2) not later than January 11, 1984, the employer of such employees was 100 percent owned by such plan.”

Amendment by section 31(b), (c)(1) of Pub. L. 98-369 effective, except as otherwise provided in section 31(g) of Pub. L. 98-369, as to property placed in service by the taxpayer after May 23, 1983, in taxable years ending after such date and to property placed in service by the taxpayer on or before May 23, 1983, if the lease to the tax-exempt entity is entered into after May 23, 1983, and amendment by section 31(c)(2) of Pub. L. 98-369, to the extent it relates to section 168(f)(12) of this title, effective as if it had been included in the amendments to section 168 of this title by section 216(a) of Pub. L. 97-248, see section 31(g)(1), (12) of Pub. L. 98-369, set out as a note under section 168 of this title.

Amendment by section 111(e)(8) of Pub. L. 98-369 applicable with respect to property placed in service by the taxpayer after Mar. 15, 1984, subject to certain exceptions, see section 111(g) of Pub. L. 98-369, set out as a note under section 168 of this title.

Amendment by section 113(b)(3) of Pub. L. 98-369 applicable as if included in the amendments made by sections 201(a), 211(a)(1), and 211(f)(1) of Pub. L. 97-34, which enacted section 168 and amended section 46 of this title, see section 113(c)(2)(B) of Pub. L. 98-369, set out as a note under section 168 of this title.

Amendment by section 113(b)(4) of Pub. L. 98-369 applicable as if included in the amendments made by section 205(a)(1) of Pub. L. 97-248, see section 113(c)(2)(C) of Pub. L. 98-369, set out as a note under section 168 of this title.

Pub. L. 98-369, div. A, title I, §113(c)(1), July 18, 1984, 98 Stat. 637, provided that: “The amendments made by subsection (a) [amending this section and section 168 of this title] shall apply to property placed in service after March 15, 1984, in taxable years ending after such date.”

Pub. L. 98-369, div. A, title I, §114(b), July 18, 1984, 98 Stat. 638, provided that: “The amendment made by this section [amending this section] shall apply to property originally placed in service after April 11, 1984 (determined without regard to such amendment).”

Amendment by section 431(c) of Pub. L. 98-369 applicable to property placed in service after July 18, 1984, in taxable years ending after such date, but not applicable to property to which sections 46(c)(8), (9) and 47(d) of this title, as enacted by section 211(f) of Pub. L. 97-34, do not apply, with the taxpayer having an option to elect retroactive application of amendment by Pub. L. 98-369, see section 431(e) of Pub. L. 98-369, set out as a note under section 46 of this title.

Amendment by section 474(o)(10)-(18) of Pub. L. 98-369 applicable to taxable years beginning after Dec. 31, 1983, and to carrybacks from such years, see section 475(a) of Pub. L. 98-369, set out as a note under section 21 of this title.

Pub. L. 98-369, div. A, title IV, §474(o)(15), July 18, 1984, 98 Stat. 837, as amended by Pub. L. 99-514, §2, Oct. 22, 1986, 100 Stat. 2095, provided that: “Subsection (n) of section 48 (relating to requirements for allowance of employee plan percentage) is hereby repealed; except that paragraph (4) of section 48(n) of the Internal Revenue Code of 1986 [formerly I.R.C. 1954] (as in effect before its repeal by this paragraph) shall continue to apply in the case of any recapture under section 47(f) of such Code of a credit allowable for a taxable year beginning before January 1, 1984.”

Amendment by section 712(b) of Pub. L. 98-369 effective as if included in the provision of the Tax Equity and Fiscal Responsibility Act of 1982, Pub. L. 97-248, to which such amendment relates, see section 715 of Pub. L. 98-369, set out as a note under section 31 of this title.

Amendment by section 721(x)(1) of Pub. L. 98-369 effective as if included in the Subchapter S Revision Act of 1982, Pub. L. 97-354, see section 721(y)(1) of Pub. L. 98-369, set out as a note under section 1361 of this title.

Amendment by section 735(c)(1) of Pub. L. 98-369 effective, except as otherwise provided, as if included in

the provisions of the Highway Revenue Act of 1982, title V of Pub. L. 97-424, to which such amendment relates, see section 736 of Pub. L. 98-369, set out as a note under section 4051 of this title.

Pub. L. 98-369, div. A, title X, §1043(b), July 18, 1984, 98 Stat. 1044, provided that: “The amendments made by this section [amending this section] shall apply to expenditures incurred after December 31, 1983, in taxable years ending after such date.”

#### EFFECTIVE DATE OF 1983 AMENDMENT

Amendment by title I of Pub. L. 97-448 effective, except as otherwise provided, as if it had been included in the provision of the Economic Recovery Tax Act of 1981, Pub. L. 97-34, to which such amendment relates, see section 109 of Pub. L. 97-448, set out as a note under section 1 of this title.

Amendment by section 202(c) of Pub. L. 97-448 effective, except as otherwise provided, as if it had been included in the provision of the Crude Oil Windfall Profit Tax Act of 1980, Pub. L. 96-223 to which such amendment relates, see section 203(a) of Pub. L. 97-448, set out as a note under section 6652 of this title.

Amendment by section 306(a)(3) of Pub. L. 97-448 effective as if included in the provisions of the Tax Equity and Fiscal Responsibility Act of 1982, Pub. L. 97-248, to which such amendment relates, see section 311(d) of Pub. L. 97-448, set out as a note under section 31 of this title.

#### EFFECTIVE AND TERMINATION DATES OF 1982 AMENDMENT

Pub. L. 97-362, title I, §104(b), Oct. 25, 1982, 96 Stat. 1729, as amended by Pub. L. 99-514, §2, Oct. 22, 1986, 100 Stat. 2095, provided that: “The amendment made by this section [amending this section] shall apply to periods beginning after December 31, 1980, and before January 1, 1983, under rules similar to the rules of section 48(m) of the Internal Revenue Code of 1986 [formerly I.R.C. 1954].”

Amendment by Pub. L. 97-354 applicable to taxable years beginning after Dec. 31, 1982, see section 6(a) of Pub. L. 97-354, set out as an Effective Date note under section 1361 of this title.

Amendment by section 205(a)(1), (4), (5)(A) of Pub. L. 97-248, applicable to periods after Dec. 31, 1982, under rules similar to the rules of subsec. (m) of this section, with certain exceptions and qualifications, see section 205(c)(1) of Pub. L. 97-248, set out as an Effective Date note under section 196 of this title.

Amendment by section 209(c) of Pub. L. 97-248 applicable to property placed in service after Dec. 31, 1982, but not to qualified leased property described in section 168(f)(8)(D)(v) of this title which is placed in service before Jan. 1, 1988, or is placed in service after such date pursuant to a binding contract or commitment entered into before April 1, 1983, and solely because of conditions which, as determined by the Secretary of the Treasury or his delegate, are not within the control of the lessor or lessee, see sections 208(d)(5) and 209(d)(2) of Pub. L. 97-248, set out as notes under section 168 of this title.

#### EFFECTIVE DATE OF 1981 AMENDMENT

Pub. L. 97-34, title II, §213(b), Aug. 13, 1981, 95 Stat. 240, as amended by Pub. L. 97-448, title I, §102(g), Jan. 12, 1983, 96 Stat. 2372, provided that: “The amendment made by this section [amending this section] shall apply to taxable years beginning after December 31, 1980.”

Pub. L. 97-34, title II, §214(c), Aug. 13, 1981, 95 Stat. 241, provided that: “The amendments made by this section [amending this section] shall apply to uses after July 29, 1980, in taxable years ending after such date.”

Pub. L. 97-34, title III, §332(c)(2), Aug. 13, 1981, 95 Stat. 296, provided that: “The amendment made by subsection (b) [amending this section] shall apply to qualified investments made after December 31, 1981.”

Amendment by section 211(a)(2), (e)(3), (4) of Pub. L. 97-34 applicable to property placed in service after Dec.

31, 1980, see section 211(i)(1) of Pub. L. 97-34, set out as a note under section 46 of this title.

Amendment by section 211(c) of Pub. L. 97-34 applicable to periods after Dec. 31, 1980, under rules similar to the rules under subsec. (m) of this section, see section 211(i)(3) of Pub. L. 97-34, set out as a note under section 46 of this title.

Amendment by section 211(h) of Pub. L. 97-34 applicable to taxable years beginning after Dec. 31, 1980, see section 211(i)(6) of Pub. L. 97-34, set out as a note under section 46 of this title.

Amendment by section 212(a)(3), (b), (c), (d)(2)(A) of Pub. L. 97-34 applicable to expenditures incurred after Dec. 31, 1981, in taxable years ending after such date, see section 212(e) of Pub. L. 97-34, set out as a note under section 46 of this title.

#### EFFECTIVE DATE OF 1980 AMENDMENT

Pub. L. 96-605, title I, §109(b), Dec. 28, 1980, 94 Stat. 3525, provided that: "The amendment made by subsection (a) [amending this section] shall apply to taxable years beginning after December 31, 1979."

Pub. L. 96-605, title II, §223(b), Dec. 28, 1980, 94 Stat. 3528, provided that: "The amendments made by subsection (a) [amending this section] shall apply with respect to taxable years beginning after December 31, 1980."

Pub. L. 96-451, title III, §302(b), Oct. 14, 1980, 94 Stat. 1991, provided that: "The amendments made by this section [amending this section] shall apply with respect to additions to capital account made after December 31, 1979."

Pub. L. 96-223, title II, §222(j), Apr. 2, 1980, 94 Stat. 266, as amended by Pub. L. 99-514, §2, Oct. 22, 1986, 100 Stat. 2095, provided that:

"(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section [amending this section and section 46 of this title] shall apply to periods after December 31, 1979, under rules similar to the rules of section 48(m) of the Internal Revenue Code of 1986 [formerly I.R.C. 1954]."

"(2) ALUMINA ELECTROLYTIC CELLS.—The amendments made by subsection (d)(1) [amending this section] shall apply to periods after September 30, 1978, under rules similar to the rules of section 48(m) of such Code."

Pub. L. 96-223, title II, §223(a)(2), Apr. 2, 1980, 94 Stat. 266, as amended by Pub. L. 99-514, §2, Oct. 22, 1986, 100 Stat. 2095, provided that: "The amendment made by paragraph (1) [amending this section] shall apply to periods after December 31, 1979, under rules similar to the rules of section 48(m) of the Internal Revenue Code of 1986 [formerly I.R.C. 1954]."

Pub. L. 96-223, title II, §223(c)(2), Apr. 2, 1980, 94 Stat. 267, as amended by Pub. L. 99-514, §2, Oct. 22, 1986, 100 Stat. 2095, provided that:

"(A) IN GENERAL.—Except as provided in subparagraph (B), the amendment made by paragraph (1) [amending this section] shall apply to periods after December 31, 1982, under rules similar to the rules of section 48(m) of the Internal Revenue Code of 1986 [formerly I.R.C. 1954]."

"(B) EARLIER APPLICATION FOR CERTAIN PROPERTY.—In the case of property which is—

"(i) qualified hydroelectric generating property (described in section 48(l)(2)(A)(vii) of such Code),

"(ii) cogeneration equipment (described in section 48(l)(2)(A)(viii) of such Code),

"(iii) qualified intercity buses (described in section 48(l)(2)(A)(ix) of such Code),

"(iv) ocean thermal property (described in section 48(l)(3)(A)(ix) of such Code), or

"(v) expanded energy credit property,

the amendment made by paragraph (1) shall apply to periods after December 31, 1979, under rules similar to the rules of section 48(m) of the Internal Revenue Code of 1986.

"(C) EXPANDED ENERGY CREDIT PROPERTY.—For purposes of subparagraph (B), the term 'expanded energy credit property' means—

"(i) property to which section 48(l)(3)(A) of such Code applies because of the amendments made by

paragraphs (1) and (2) of section 222(b) [amending this section],

"(ii) property described in section 48(l)(4)(C) of such Code (relating to solar process heat),

"(iii) property described in section 48(l)(5)(L) of such Code (relating to alumina electrolytic cells), and

"(iv) property described in the last sentence of section 48(l)(3)(A) of such Code (relating to storage equipment for refuse-derived fuel).

"(D) FINANCING TAKEN INTO ACCOUNT.—For the purpose of applying the provisions of section 48(l)(11) of such Code in the case of property financed in whole or in part by subsidized energy financing (within the meaning of section 48(l)(11)(C) of such Code), no financing made before January 1, 1980, shall be taken into account. The preceding sentence shall not apply to financing provided from the proceeds of any tax exempt industrial development bond (within the meaning of section 103(b)(2) of such Code)."

Amendment by Pub. L. 96-222 effective, except as otherwise provided, as if it had been included in the provisions of the Revenue Act of 1978, Pub. L. 95-600, to which such amendment relates, see section 201 of Pub. L. 96-222, set out as a note under section 32 of this title.

Pub. L. 96-222, title I, §108(c)(7), Apr. 1, 1980, 94 Stat. 228, provided that: "Any amendment made by this subsection [amending sections 4071, 4221, 6416, and 6421 of this title] shall take effect as if included in the provision of the Energy Tax Act of 1978 [See Short Title of 1978 Amendment note set out under section 1 of this title] to which such amendment relates; except that the amendment made by paragraph (6) [amending this section] shall take effect on the first day of the first calendar month which begins more than 10 days after the date of the enactment of this Act [Apr. 1, 1980]."

#### EFFECTIVE DATE OF 1978 AMENDMENT

Pub. L. 95-618, title III, §301(d)(4), Nov. 9, 1978, 92 Stat. 3200, provided that:

"(A) IN GENERAL.—The amendments made by this subsection [amending this section and section 167 of this title] shall apply to property which is placed in service after September 30, 1978.

"(B) BINDING CONTRACTS.—The amendments made by this subsection [amending this section and section 167 of this title] shall not apply to property which is constructed, reconstructed, erected, or acquired pursuant to a contract which, on October 1, 1978, and at all times thereafter, was binding on the taxpayer."

Amendment by section 141(b) of Pub. L. 95-600 effective with respect to qualified investment for taxable years beginning after Dec. 31, 1978, see section 141(g)(1) of Pub. L. 95-600, set out as an Effective Date note under section 409 of this title.

Amendment by section 312(c)(1), (2), (3) of Pub. L. 95-600 applicable to taxable years ending after Dec. 31, 1978, see section 312(d) of Pub. L. 95-600, set out as a note under section 46 of this title.

Pub. L. 95-600, title III, §314(c), Nov. 6, 1978, 92 Stat. 2828, provided that: "The amendments made by subsections (a) and (b) [amending this section] shall apply to taxable years ending after August 15, 1971."

Pub. L. 95-600, title III, §315(d), Nov. 6, 1978, 92 Stat. 2829, provided that: "The amendments made by this section [amending this section] shall apply to taxable years ending after October 31, 1978; except that the amendment made by subsection (c) shall only apply with respect to property placed in service after such date."

Amendment by section 703(a)(3), (4) of Pub. L. 95-600 effective on Oct. 4, 1976, see section 703(r) of Pub. L. 95-600, set out as a note under section 46 of this title.

#### EFFECTIVE DATE OF 1976 AMENDMENT

Amendment by section 802(b)(6) of Pub. L. 94-455 applicable to taxable years beginning after Dec. 31, 1975, see section 802(c) of Pub. L. 94-455, set out as a note under section 46 of this title.

Pub. L. 94-455, title VIII, §804(e), Oct. 4, 1976, 90 Stat. 1596, as amended by Pub. L. 99-514, §2, Oct. 22, 1986, 100 Stat. 2095, provided that:

“(1) IN GENERAL.—The amendments made by subsections (a) and (b) [amending this section and section 47 of this title] shall apply to taxable years beginning after December 31, 1974.

“(2) ELECTION MAY ALSO APPLY TO PROPERTY DESCRIBED IN SECTION 50(a).—At the election of the taxpayer, made within 1 year after the date of the enactment of this Act [Oct. 4, 1976] in such manner as the Secretary of the Treasury or his delegate may by regulations prescribe, the amendments made by subsections (a) and (b) shall also apply to property which is property described in section 50(a) of the Internal Revenue Code of 1986 [formerly I.R.C. 1954] and which is placed in service in taxable years beginning before January 1, 1975.”

Amendment by section 1051(h)(1) of Pub. L. 94-455 applicable to taxable years beginning after Dec. 31, 1975 with certain exceptions, see section 1051(i) of Pub. L. 94-455, set out as a note under section 27 of this title.

Amendment by section 1901(a)(5), (b)(11)(A) of Pub. L. 94-455 applicable with respect to taxable years beginning after Dec. 31, 1976, see section 1901(d) of Pub. L. 94-455, set out as a note under section 2 of this title.

Amendment by section 2112(a) of Pub. L. 94-455 applicable to property acquired by the taxpayer after Dec. 31, 1976, and property, the construction, reconstruction, or erection of which was completed by the taxpayer after Dec. 31, 1976, (but only to the extent of the basis thereof attributable to construction, reconstruction, or erection after such date), in taxable years beginning after such date, see section 2112(d)(1) of Pub. L. 94-455, set out as a note under section 46 of this title.

#### EFFECTIVE AND TERMINATION DATES OF 1975 AMENDMENT

Pub. L. 94-12, title III, §301(c)(2), Mar. 29, 1975, 89 Stat. 38, as amended by Pub. L. 94-455, title VIII, §801, Oct. 4, 1976, 90 Stat. 1580; Pub. L. 95-600, title III, §311(b), Nov. 6, 1978, 92 Stat. 2824, provided that: “The amendments made by paragraph (1) [amending this section] shall apply only to taxable years beginning after December 31, 1974.”

Amendment by section 302(c)(3) of Pub. L. 94-12 applicable to taxable years ending after Dec. 31, 1974, see section 305(a) of Pub. L. 94-12, set out as an Effective Date of 1975 Amendment note under section 46 of this title.

Pub. L. 94-12, title VI, §604(b), Mar. 29, 1975, 89 Stat. 65, as amended by Pub. L. 99-514, §2, Oct. 22, 1986, 100 Stat. 2095, provided that:

“(1) IN GENERAL.—The amendments made by subsection (a) [amending this section] shall apply to property, the construction, reconstruction, or erection of which was completed after March 18, 1975, or the acquisition of which by the taxpayer occurred after such date.

“(2) BINDING CONTRACT.—The amendments made by subsection (a) [amending this section] shall not apply to property constructed, reconstructed, erected, or acquired pursuant to a contract which was on April 1, 1974, and at all times thereafter, binding on the taxpayer.

“(3) CERTAIN LEASE-BACK TRANSACTIONS, ETC.—Where a person who is a party to a binding contract described in paragraph (2) transfers rights in such contract (or in the property to which such contract relates) to another person but a party to such contract retains a right to use the property under a lease with such other person, then to the extent of the transferred rights such other person shall, for purposes of paragraph (2), succeed to the position of the transferor with respect to such binding contract and such property. The preceding sentence shall apply, in any case in which the lessor does not make an election under section 48(d) of the Internal Revenue Code of 1986 [formerly I.R.C. 1954], only if a party to such contract retains a right to use the property under a long-term lease.”

#### EFFECTIVE DATE OF 1971 AMENDMENT

Pub. L. 92-178, title I, §104(h), Dec. 10, 1971, 85 Stat. 503, as amended by Pub. L. 99-514, §2, Oct. 22, 1986, 100 Stat. 2095, provided that: “The amendments made by this section [amending this section and sections 169 and 1245 of this title] (other than by subsections (c)(1), (c)(2), and (g) [amending this section]) shall apply to property described in section 50 of the Internal Revenue Code of 1986 [formerly I.R.C. 1954]. The amendments made by subsections (c)(1), (c)(2), and (g) [amending this section] shall apply to taxable years ending after December 31, 1961.”

Amendment by section 108(b), (c) of Pub. L. 92-178, applicable to leases entered into after Sept. 22, 1971, and after Nov. 8, 1971, respectively, see section 108(d) of Pub. L. 92-178, set out as a note under section 46 of this title.

#### EFFECTIVE DATE OF 1969 AMENDMENT

Amendment by section 121(d)(2)(A) of Pub. L. 91-172 applicable to taxable years beginning after Dec. 31, 1969, see section 121(g) of Pub. L. 91-172, set out as a note under section 511 of this title.

Amendment by section 401(e)(2)-(4) of Pub. L. 91-172 applicable with respect to taxable years ending on or after Dec. 31, 1970, see section 401(h)(3) of Pub. L. 91-172, set out as a note under section 1561 of this title.

#### EFFECTIVE DATE OF 1967 AMENDMENT

Pub. L. 90-26, §4, June 13, 1967, 81 Stat. 58, provided that: “The amendments made by the first three sections of this Act [amending this section and section 167 of this title] shall apply to taxable years ending after March 9, 1967.”

#### EFFECTIVE DATE OF 1966 AMENDMENT

Pub. L. 89-809, title II, §201(b), Nov. 13, 1966, 80 Stat. 1576, as amended by Pub. L. 99-514, §2, Oct. 22, 1986, 100 Stat. 2095, provided that: “The amendments made by subsection (a) [amending this section] shall apply to taxable years ending after December 31, 1965, but only with respect to property placed in service after such date. In applying section 46(b) of the Internal Revenue Code of 1986 [formerly I.R.C. 1954] (relating to carryback and carryover of unused credits), the amount of any investment credit carryback to any taxable year ending on or before December 31, 1965, shall be determined without regard to the amendments made by this section.”

Amendment by Pub. L. 89-800 applicable to taxable years ending after Oct. 9, 1966, see section 4 of Pub. L. 89-800, set out as a note under section 46 of this title.

#### EFFECTIVE DATE OF 1964 AMENDMENT

Pub. L. 88-272, title II, §203(a)(4), Feb. 26, 1964, 78 Stat. 34, provided that: “Paragraphs (1) [amending this section] and (3) [amending this section and section 1016 of this title and repealing section 181 of this title] of this subsection shall apply—

“(A) in the case of property placed in service after December 31, 1963, with respect to taxable years ending after such date, and

“(B) in the case of property placed in service before January 1, 1964, with respect to taxable years beginning after December 31, 1963.”

Pub. L. 88-272, title II, §203(f), Feb. 26, 1964, 78 Stat. 35, provided that:

“(1) The amendments made by subsection (b) [amending this section] shall apply with respect to property possession of which is transferred to a lessee on or after the date of enactment of this Act [Feb. 26, 1964].

“(2) The amendments made by subsection (c) [amending this section] shall apply with respect to taxable years ending after June 30, 1963.

“(3) The amendments made by subsection (d) [amending section 1245 of this title] shall apply with respect to dispositions after December 31, 1963, in taxable years ending after such date.”

## EFFECTIVE DATE

Section applicable with respect to taxable years ending after Dec. 31, 1961, see section 2(h) of Pub. L. 87-834, set out as a note under section 46 of this title.

## SAVINGS PROVISION

For provisions that nothing in amendment by Pub. L. 101-508 be construed to affect treatment of certain transactions occurring, property acquired, or items of income, loss, deduction, or credit taken into account prior to Nov. 5, 1990, for purposes of determining liability for tax for periods ending after Nov. 5, 1990, see section 11821(b) of Pub. L. 101-508, set out as a note under section 45K of this title.

## TRANSFER OF FUNCTIONS

Functions, powers, and duties of Federal Aviation Agency and of Administrator and other offices and officers thereof transferred by Pub. L. 89-670, Oct. 15, 1966, 80 Stat. 931, to Secretary of Transportation, with functions, powers, and duties of Secretary of Transportation pertaining to aviation safety to be exercised by Federal Aviation Administrator in Department of Transportation, see section 106 of Title 49, Transportation.

## GRANTS FOR SPECIFIED ENERGY PROPERTY IN LIEU OF TAX CREDITS

Pub. L. 111-5, div. B, title I, §1603, Feb. 17, 2009, 123 Stat. 364, as amended by Pub. L. 111-312, title VII, §707, Dec. 17, 2010, 124 Stat. 3312; Pub. L. 112-81, div. A, title X, §1096(a), Dec. 31, 2011, 125 Stat. 1608; Pub. L. 112-240, title IV, §407(c)(2), Jan. 2, 2013, 126 Stat. 2342, provided that:

“(a) IN GENERAL.—Upon application, the Secretary of the Treasury shall, subject to the requirements of this section, provide a grant to each person who places in service specified energy property to reimburse such person for a portion of the expense of such property as provided in subsection (b). No grant shall be made under this section with respect to any property unless such property—

“(1) is originally placed in service by such person during 2009, 2010, or 2011, or

“(2) is originally placed in service by such person after 2011 and before the credit termination date with respect to such property, but only if the construction of such property began during 2009, 2010, or 2011.

“(b) GRANT AMOUNT.—

“(1) IN GENERAL.—The amount of the grant under subsection (a) with respect to any specified energy property shall be the applicable percentage of the basis of such property.

“(2) APPLICABLE PERCENTAGE.—For purposes of paragraph (1), the term ‘applicable percentage’ means—

“(A) 30 percent in the case of any property described in paragraphs (1) through (4) of subsection (d), and

“(B) 10 percent in the case of any other property.

“(3) DOLLAR LIMITATIONS.—In the case of property described in paragraph (2), (6), or (7) of subsection (d), the amount of any grant under this section with respect to such property shall not exceed the limitation described in section 48(c)(1)(B), 48(c)(2)(B), or 48(c)(3)(B) of the Internal Revenue Code of 1986, respectively, with respect to such property.

“(c) TIME FOR PAYMENT OF GRANT.—The Secretary of the Treasury shall make payment of any grant under subsection (a) during the 60-day period beginning on the later of—

“(1) the date of the application for such grant, or

“(2) the date the specified energy property for which the grant is being made is placed in service.

“(d) SPECIFIED ENERGY PROPERTY.—For purposes of this section, the term ‘specified energy property’ means any of the following:

“(1) QUALIFIED FACILITIES.—Any qualified property (as defined in section 48(a)(5)(D) of the Internal Revenue

Code of 1986) which is part of a qualified facility (within the meaning of section 45 of such Code) described in paragraph (1), (2), (3), (4), (6), (7), (9), or (11) of section 45(d) of such Code.

“(2) QUALIFIED FUEL CELL PROPERTY.—Any qualified fuel cell property (as defined in section 48(c)(1) of such Code).

“(3) SOLAR PROPERTY.—Any property described in clause (i) or (ii) of section 48(a)(3)(A) of such Code.

“(4) QUALIFIED SMALL WIND ENERGY PROPERTY.—Any qualified small wind energy property (as defined in section 48(c)(4) of such Code).

“(5) GEOTHERMAL PROPERTY.—Any property described in clause (iii) of section 48(a)(3)(A) of such Code.

“(6) QUALIFIED MICROTURBINE PROPERTY.—Any qualified microturbine property (as defined in section 48(c)(2) of such Code).

“(7) COMBINED HEAT AND POWER SYSTEM PROPERTY.—Any combined heat and power system property (as defined in section 48(c)(3) of such Code).

“(8) GEOTHERMAL HEAT PUMP PROPERTY.—Any property described in clause (vii) of section 48(a)(3)(A) of such Code.

Such term shall not include any property unless depreciation (or amortization in lieu of depreciation) is allowable with respect to such property.

“(e) CREDIT TERMINATION DATE.—For purposes of this section, the term ‘credit termination date’ means—

“(1) in the case of any specified energy property which is part of a facility described in paragraph (1) of section 45(d) of the Internal Revenue Code of 1986, January 1, 2013,

“(2) in the case of any specified energy property which is part of a facility described in paragraph (2), (3), (4), (6), (7), (9), or (11) of section 45(d) of such Code, January 1, 2014, and

“(3) in the case of any specified energy property described in section 48 of such Code, January 1, 2017.

In the case of any property which is described in paragraph (3) and also in another paragraph of this subsection, paragraph (3) shall apply with respect to such property.

“(f) APPLICATION OF CERTAIN RULES.—In making grants under this section, the Secretary of the Treasury shall apply rules similar to the rules of section 50 of the Internal Revenue Code of 1986 (other than subsection (d)(2) thereof). In applying such rules, if the property is disposed of, or otherwise ceases to be specified energy property, the Secretary of the Treasury shall provide for the recapture of the appropriate percentage of the grant amount in such manner as the Secretary of the Treasury determines appropriate.

“(g) EXCEPTION FOR CERTAIN NON-TAXPAYERS.—The Secretary of the Treasury shall not make any grant under this section to—

“(1) any Federal, State, or local government (or any political subdivision, agency, or instrumentality thereof),

“(2) any organization described in section 501(c) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Code,

“(3) any entity referred to in paragraph (4) of [former] section 54(j) of such Code, or

“(4) any partnership or other pass-thru entity any partner (or other holder of an equity or profits interest) of which is described in paragraph (1), (2) or (3).

“(h) DEFINITIONS.—Terms used in this section which are also used in section 45 or 48 of the Internal Revenue Code of 1986 shall have the same meaning for purposes of this section as when used in such section 45 or 48. Any reference in this section to the Secretary of the Treasury shall be treated as including the Secretary's delegate.

“(i) APPROPRIATIONS.—There is hereby appropriated to the Secretary of the Treasury such sums as may be necessary to carry out this section.

“(j) TERMINATION.—The Secretary of the Treasury shall not make any grant to any person under this section unless the application of such person for such grant is received before October 1, 2012.”



[Pub. L. 112-81, div. A, title X, §1096(b), Dec. 31, 2011, 125 Stat. 1608, provided that: "The amendment made by this section [amending section 1603 of Pub. L. 111-5, set out above] shall take effect as if included in section 1603 of the American Recovery and Reinvestment Tax Act of 2009 [Pub. L. 111-5]."]

PLAN AMENDMENTS NOT REQUIRED UNTIL  
JANUARY 1, 1989

For provisions directing that if any amendments made by subtitle A or subtitle C of title XI [§§ 1101-1147 and 1171-1177] or title XVIII [§§ 1800-1899A] of Pub. L. 99-514 require an amendment to any plan, such plan amendment shall not be required to be made before the first plan year beginning on or after Jan. 1, 1989, see section 1140 of Pub. L. 99-514, as amended, set out as a note under section 401 of this title.

APPLICABILITY OF CERTAIN AMENDMENTS BY PUB. L.  
99-514 IN RELATION TO TREATY OBLIGATIONS OF  
UNITED STATES

For applicability of amendment by section 701(e)(4)(C) of Pub. L. 99-514 notwithstanding any treaty obligation of the United States in effect on Oct. 22, 1986, with provision that for such purposes any amendment by title I of Pub. L. 100-647 be treated as if it had been included in the provision of Pub. L. 99-514 to which such amendment relates, see section 1012(aa)(2), (4) of Pub. L. 100-647, set out as a note under section 861 of this title.

SPECIAL RULE

Pub. L. 99-514, title XVIII, §1879(j)(3), Oct. 22, 1986, 100 Stat. 2909, provided that: "If refund or credit of any overpayment of tax resulting from the application of this subsection [amending this section] is prevented at any time before the close of the date which is 1 year after the date of the enactment of this Act [Oct. 22, 1986] by operation of any law or rule of law (including res judicata), refund or credit of such overpayment (to the extent attributable to the application of the amendments made by this subsection [amending this section]) may, nevertheless, be made or allowed if claim therefor is filed before the close of such 1-year period."

CLARIFICATION OF EFFECT OF 1984 AMENDMENT ON  
INVESTMENT TAX CREDIT

For provision that nothing in the amendments made by section 474(o) of Pub. L. 98-369, which amended this section, be construed as reducing the investment tax credit in taxable years beginning before Jan. 1, 1984, see section 475(c) of Pub. L. 98-369, set out as a note under section 46 of this title.

ALTERNATIVE METHODS OF COMPUTING CREDIT FOR  
PAST PERIODS

Pub. L. 94-455, title VIII, §804(c), Oct. 4, 1976, 90 Stat. 1594, as amended by Pub. L. 99-514, §2, Oct. 22, 1986, 100 Stat. 2095, provided that:

"(1) GENERAL RULE FOR DETERMINING USEFUL LIFE, PREDOMINANT FOREIGN USE, ETC.—In the case of a qualified film (within the meaning of section 48(k)(1)(B) of the Internal Revenue Code of 1986 [formerly I.R.C. 1954]) placed in service in a taxable year beginning before January 1, 1975, with respect to which neither an election under paragraph (2) of this subsection nor an election under subsection (e)(2) applies—

"(A) the applicable percentage under section 46(c)(2) of such Code shall be determined as if the useful life of the film would have expired at the close of the first taxable year by the close of which the aggregate amount allowable as a deduction under section 167 of such Code would equal or exceed 90 percent of the basis of such property (adjusted for any partial dispositions),

"(B) for purposes of section 46(c)(1) of such Code, the basis of the property shall be determined by

taking into account the total production costs (within the meaning of section 48(k)(5)(B) of such Code),

"(C) for purposes of section 48(a)(2) of such Code, such film shall be considered to be used predominantly outside the United States in the first taxable year for which 50 percent or more of the gross revenues received or accrued during the taxable year from showing the film were received or accrued from showing the film outside the United States, and

"(D) Section 47(a)(7) of such Code shall apply.

"(2) ELECTION OF 40-PERCENT METHOD.—

"(A) IN GENERAL.—A taxpayer may elect to have this paragraph apply to all qualified films placed in service during taxable years beginning before January 1, 1975 (other than films to which an election under subsection (e)(2) of this section applies).

"(B) EFFECT OF ELECTION.—If the taxpayer makes an election under this paragraph, then section 48(k) of the Internal Revenue Code of 1986 shall apply to all qualified films described in subparagraph (A) with the following modifications:

"(i) subparagraph (B) of paragraph (4) shall not apply, but in determining qualified investment under section 46(c)(1) of such Code there shall be used (in lieu of the basis of such property) an amount equal to 40 percent of the aggregate production costs (within the meaning of paragraph (5)(B) of such section 48(k)),

"(ii) paragraph (2) shall be applied by substituting '100 percent' for '66½ percent', and

"(iii) paragraph (3) and paragraph (5) (other than subparagraph (B)) shall not apply.

"(C) RULES RELATING TO ELECTIONS.—An election under this paragraph shall be made not later than the day which is 6 months after the date of the enactment of this Act [Oct. 4, 1976] and shall be made in such manner as the Secretary of the Treasury or his delegate shall by regulations prescribe. Such an election may be revoked only with the consent of the Secretary of the Treasury or his delegate.

"(D) THE TAXPAYER MUST CONSENT TO JOIN IN CERTAIN PROCEEDINGS.—No election may be made under this paragraph or subsection (e)(2) by any taxpayer unless he consents, under regulations prescribed by the Secretary of the Treasury or his delegate, to treat the determination of the investment credit allowable on each film subject to an election as a separate cause of action, and to join in any judicial proceeding for determining the person entitled to, and the amount of, the credit allowable under section 38 of the Internal Revenue Code of 1986 with respect to any film covered by such election.

"(3) ELECTION TO HAVE CREDIT DETERMINED IN ACCORDANCE WITH PREVIOUS LITIGATION.—

"(A) IN GENERAL.—A taxpayer described in subparagraph (B) may elect to have this paragraph apply to all films (whether or not qualified) placed in service in taxable years beginning before January 1, 1975, and with respect to which an election under subsection (e)(2) is not made.

"(B) WHO MAY ELECT.—A taxpayer may make an election under this paragraph if he has filed an action in any court of competent jurisdiction, before January 1, 1976, for a determination of such taxpayer's rights to the allowance of a credit against tax under section 38 of the Internal Revenue Code of 1986 for any taxable year beginning before January 1, 1975, with respect to any film.

"(C) EFFECT OF ELECTION.—If the taxpayer makes an election under this paragraph—

"(i) paragraphs (1) and (2) of this subsection, and subsection (d) shall not apply to any film placed in service by the taxpayer, and

"(ii) subsection 48(k) of the Internal Revenue Code of 1986 shall not apply to any film placed in service by the taxpayer in any taxable year beginning before January 1, 1975, and with respect to which an election under subsection (e)(2) is not made,

and the right of the taxpayer to the allowance of a credit against tax under section 38 of such Code with respect to any film placed in service in any taxable year beginning before January 1, 1975, and as to which an election under subsection (e)(2) is not made, shall be determined as though this section (other than this paragraph) has not been enacted.

“(D) RULES RELATING TO ELECTIONS.—An election under this paragraph shall be made not later than the day which is 90 days after the date of the enactment of this Act [Oct. 4, 1976], by filing a notification of such election with the national office of the Internal Revenue Service. Such an election, once made, shall be irrevocable.”

#### ENTITLEMENT TO CREDIT

Pub. L. 94-455, title VIII, §804(d), Oct. 4, 1976, 90 Stat. 1596, as amended by Pub. L. 99-514, §2, Oct. 22, 1986, 100 Stat. 2095, provided that: “Paragraph (1) of section 48(k) of the Internal Revenue Code of 1986 [formerly I.R.C. 1954] (relating to entitlement to credit) shall apply to any motion picture film or video tape placed in service in any taxable year beginning before January 1, 1975.”

#### INCREASE IN BASIS OF PROPERTY PLACED IN SERVICE BEFORE JANUARY 1, 1964

Pub. L. 88-272, title II, §203(a)(2), Feb. 26, 1964, 78 Stat. 33, as amended by Pub. L. 99-514, §2, Oct. 22, 1986, 100 Stat. 2095, provided that:

“(A) The basis of any section 38 property (as defined in section 48(a) of the Internal Revenue Code of 1986 [formerly I.R.C. 1954]) placed in service before January 1, 1964, shall be increased, under regulations prescribed by the Secretary of the Treasury or his delegate, by an amount equal to 7 percent of the qualified investment with respect to such property under section 46(c) of the Internal Revenue Code of 1986. If there has been any increase with respect to such property under section 48(g)(2) of such Code, the increase under the preceding sentence shall be appropriately reduced therefor.

“(B) If a lessor made the election provided by section 48(d) of the Internal Revenue Code of 1986 with respect to property placed in service before January 1, 1964—

“(i) subparagraph (A) shall not apply with respect to such property, but

“(ii) under regulations prescribed by the Secretary of the Treasury or his delegate, the deductions otherwise allowable under section 162 of such Code to the lessee for amounts paid to the lessor under the lease (or, if such lessee has purchased such property, the basis of such property) shall be adjusted in a manner consistent with subparagraph (A).

“(C) The adjustments under this paragraph shall be made as of the first day of the taxpayer’s first taxable year which begins after December 31, 1963.”

### § 48A. Qualifying advanced coal project credit

#### (a) In general

For purposes of section 46, the qualifying advanced coal project credit for any taxable year is an amount equal to—

(1) 20 percent of the qualified investment for such taxable year in the case of projects described in subsection (d)(3)(B)(i),

(2) 15 percent of the qualified investment for such taxable year in the case of projects described in subsection (d)(3)(B)(ii), and

(3) 30 percent of the qualified investment for such taxable year in the case of projects described in clause (iii) of subsection (d)(3)(B).

#### (b) Qualified investment

##### (1) In general

For purposes of subsection (a), the qualified investment for any taxable year is the basis of

eligible property placed in service by the taxpayer during such taxable year which is part of a qualifying advanced coal project—

(A)(i) the construction, reconstruction, or erection of which is completed by the taxpayer, or

(ii) which is acquired by the taxpayer if the original use of such property commences with the taxpayer, and

(B) with respect to which depreciation (or amortization in lieu of depreciation) is allowable.

#### (2) Special rule for certain subsidized property

Rules similar to section 48(a)(4) (without regard to subparagraph (D) thereof) shall apply for purposes of this section.

#### (3) Certain qualified progress expenditures rules made applicable

Rules similar to the rules of subsections (c)(4) and (d) of section 46 (as in effect on the day before the enactment of the Revenue Reconciliation Act of 1990) shall apply for purposes of this section.

#### (c) Definitions

For purposes of this section—

##### (1) Qualifying advanced coal project

The term “qualifying advanced coal project” means a project which meets the requirements of subsection (e).

##### (2) Advanced coal-based generation technology

The term “advanced coal-based generation technology” means a technology which meets the requirements of subsection (f).

##### (3) Eligible property

The term “eligible property” means—

(A) in the case of any qualifying advanced coal project using an integrated gasification combined cycle, any property which is a part of such project and is necessary for the gasification of coal, including any coal handling and gas separation equipment, and

(B) in the case of any other qualifying advanced coal project, any property which is a part of such project.

##### (4) Coal

The term “coal” means anthracite, bituminous coal, subbituminous coal, lignite, and peat.

##### (5) Greenhouse gas capture capability

The term “greenhouse gas capture capability” means an integrated gasification combined cycle technology facility capable of adding components which can capture, separate on a long-term basis, isolate, remove, and sequester greenhouse gases which result from the generation of electricity.

##### (6) Electric generation unit

The term “electric generation unit” means any facility at least 50 percent of the total annual net output of which is electrical power, including an otherwise eligible facility which is used in an industrial application.

##### (7) Integrated gasification combined cycle

The term “integrated gasification combined cycle” means an electric generation unit