

105TH CONGRESS
1ST SESSION

H. R. 2474

To amend the Internal Revenue Code of 1986 to reduce the rate of the excise tax on diesel fuel used in trains by 1.25 cents per gallon, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 15, 1997

Mr. PETRI (for himself, Mr. OBERSTAR, Mr. CHRISTENSEN, Mr. MCCRERY, Mr. BACHUS, and Mr. COLLINS) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to reduce the rate of the excise tax on diesel fuel used in trains by 1.25 cents per gallon, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Railroad Tax Equity
5 Adjustment Act of 1997”.

1 **SEC. 2. EXCISE TAX ON DIESEL FUEL USED IN TRAINS RE-**
 2 **DUCED BY 1.25 CENTS PER GALLON; FUR-**
 3 **THER REDUCTIONS BASED ON HIGHWAY**
 4 **TRUST FUND EXPENDITURES.**

5 (a) IN GENERAL.—

6 (1) Clause (ii) of section 4041(a)(1)(C) of the
 7 Internal Revenue Code of 1986 (relating to rate of
 8 tax on trains) is amended by striking “shall be—”
 9 and all that follows and inserting “shall be the appli-
 10 cable rate per gallon (as defined in subparagraph
 11 (D)) for the fiscal year in which the taxable event
 12 occurs.”.

13 (2) Paragraph (1) of section 4041(a) of such
 14 Code is amended by adding at the end the following
 15 new subparagraph:

16 “(D) APPLICABLE RATE OF TAX ON FUEL
 17 USED IN TRAINS.—

18 “(i) IN GENERAL.—For purposes of
 19 subparagraph (C)(ii), the applicable rate
 20 for any fiscal year is 4.3 cents reduced
 21 (but not below zero) by the number of
 22 cents (rounded to the nearest 0.1 cent)
 23 which bears the same ratio to 4.3 cents
 24 as—

25 “(I) the excess of the expendi-
 26 tures from the Highway Trust Fund

during the preceding fiscal year over the base expenditure amount for such preceding fiscal year, bears to

“(II) the amount deposited into the Highway Trust Fund during such preceding fiscal year to the extent attributable to 4.3 cents per gallon of the rates of the taxes imposed by sections 4041 and 4081.

“(ii) BASE EXPENDITURE AMOUNT.—

For purposes of clause (i), the base expenditure amount means, with respect to any preceding fiscal year, the excess of the amount deposited into the Highway Trust Fund during such year over the amount described in clause (i)(II) for such year.”.

(b) CONFORMING AMENDMENTS.—

(1) Subparagraph (B) of section 6421(f)(3) of such Code is amended by striking “exceed—” and all that follows and inserting “exceed the applicable rate per gallon (as defined in section 4041(a)(1)(D)).”.

(2) Subparagraph (B) of section 6427(l)(3) of such Code is amended by striking “exceed—” and all that follows and inserting “exceed the applicable

1 rate per gallon (as defined in section
2 4041(a)(1)(D)).”.

3 (c) EFFECTIVE DATE.—The amendments made by
4 this section shall take effect on the date of the enactment
5 of this Act.

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