

105TH CONGRESS
1ST SESSION

S. 1393

To amend the Internal Revenue Code of 1986 to provide for the permanent extension of the incentives for alcohol used as a fuel.

IN THE SENATE OF THE UNITED STATES

NOVEMBER 6, 1997

Mr. DORGAN (for himself, Mr. DASCHLE, Mr. JOHNSON, and Mr. CONRAD) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to provide for the permanent extension of the incentives for alcohol used as a fuel.

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. PERMANENT EXTENSION OF INCENTIVES FOR**
4 **ALCOHOL USED AS A FUEL.**

5 (a) FUEL TAX RATE REDUCTIONS.—

6 (1) Section 4041(b)(2) of the Internal Revenue
7 Code of 1986 is amended by striking subparagraph
8 (C).

1 (2) Section 4041(k) of such Code is amended
2 by striking paragraph (3).

3 (3) Section 4081(c) of such Code is amended by
4 striking paragraph (8).

5 (4) Section 4091(c) of such Code is amended by
6 striking paragraph (5).

7 (b) REFUNDS.—Section 6427(f) of the Internal Reve-
8 nue Code of 1986 is amended by striking paragraph (4).

9 (c) INCOME TAX CREDIT.—Section 40(e)(1) of the
10 Internal Revenue Code of 1986 is amended to read as fol-
11 lows:

12 “(1) IN GENERAL.—This section shall not apply
13 to any sale or use for any period during which the
14 rates of tax under section 4081(a)(2)(A) are 4.3
15 cents per gallon.”

16 (d) CONFORMING AMENDMENTS TO TARIFF SCHED-
17 ULE.—

18 (1) The effective period column of the heading
19 9901.00.50 of the Harmonized Tariff Schedule of
20 the United States (19 U.S.C. 3007) is amended to
21 read as follows: “The rate for articles described in
22 this heading shall not apply during any period dur-
23 ing which the rates of tax under section
24 4081(a)(2)(A) of the Internal Revenue Code of 1986
25 are 4.3 cents per gallon.”

1 (2) The effective period column of the heading
2 9901.00.52 of such Schedule is amended to read as
3 follows: “The rate for articles described in this head-
4 ing shall not apply during any period during which
5 the rates of tax under section 4081(a)(2)(A) of the
6 Internal Revenue Code of 1986 are 4.3 cents per
7 gallon.”

8 (e) EFFECTIVE DATE.—The amendments made by
9 this section shall take effect on the date of enactment of
10 this Act.

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