

106TH CONGRESS  
1ST SESSION

# H. R. 1303

To amend the Internal Revenue Code of 1986 to allow a credit against income tax for dry cleaning equipment which uses reduced amounts of hazardous substances.

---

## IN THE HOUSE OF REPRESENTATIVES

MARCH 25, 1999

Mr. CAMP (for himself and Mr. PRICE of North Carolina) 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 allow a credit against income tax for dry cleaning equipment which uses reduced amounts of hazardous substances.

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 “Dry Cleaning Environ-  
5 mental Tax Credit Act of 1999”.

1 **SEC. 2. CREDIT FOR DRY CLEANING EQUIPMENT USING RE-**  
2 **DUCED AMOUNTS OF HAZARDOUS SUB-**  
3 **STANCES.**

4       (a) IN GENERAL.—Section 46 of the Internal Rev-  
5 enue Code of 1986 (relating to amount of investment cred-  
6 it) is amended by striking “and” at the end of paragraph  
7 (2), by striking the period at the end of paragraph (3)  
8 and inserting “, and”, and by adding at the end thereof  
9 the following paragraph:

10               “(4) the dry cleaning equipment credit.”

11       (b) DRY CLEANING EQUIPMENT CREDIT.—Section  
12 48 of such Code is amended by adding at the end the fol-  
13 lowing new subsection:

14       “(c) DRY CLEANING EQUIPMENT USING REDUCED  
15 AMOUNTS OF HAZARDOUS SUBSTANCES.—

16               “(1) IN GENERAL.—For purposes of section 46,  
17 the dry cleaning equipment credit for any taxable  
18 year is 20 percent of the basis of each qualified dry  
19 cleaning property placed in service during the tax-  
20 able year.

21               “(2) LIMITATION.—The credit under this sub-  
22 section for the taxable year shall apply to only one  
23 qualified dry cleaning property placed in service dur-  
24 ing such year at each business premise of the tax-  
25 payer.

1 “(3) QUALIFIED DRY CLEANING PROPERTY.—

2 For purposes of this subsection, the term ‘qualified  
3 dry cleaning property’ means equipment designed  
4 primarily to dry clean clothing and other fabric if—

5 “(A) such equipment does not use any haz-  
6 ardous solvent as the primary process solvent,

7 “(B) the original use of such property  
8 commences with the taxpayer, and

9 “(C) with respect to which depreciation (or  
10 amortization in lieu of depreciation) is allow-  
11 able.

12 “(4) HAZARDOUS SOLVENT.—For purposes of  
13 paragraph (3)—

14 “(A) IN GENERAL.—The term ‘hazardous  
15 solvent’ means any solvent any portion of which  
16 consists of a chlorinated solvent, a petroleum-  
17 based solvent, or any other hazardous or regu-  
18 lated substance.

19 “(B) EXCEPTION.—Such term shall not in-  
20 clude any solvent—

21 “(i) not more than 10 percent of  
22 which consists of petroleum or petroleum  
23 derivatives, and

24 “(ii) which does not contain any sub-  
25 stance determined by the Administrator of

the Environmental Protection Agency, the Director of the National Institute for Occupational Safety and Health, the Director of the International Agency for Research on Cancer, the Director of the National Institute of Environmental Health Sciences' National Toxicology Program, or the director of any other appropriate Federal agency to possess—

“(I) carcinogenic potential in hu-

mans, or

“(II) bioaccumulative prop-

erties.”

(c) CLERICAL AMENDMENTS.—

(1) The section heading for section 48 of such

Code is amended to read as follows:

**“SEC. 48. ENERGY CREDIT; REFORESTATION CREDIT; DRY  
CLEANING EQUIPMENT CREDIT.”**

(2) The item relating to section 48 in the table

of sections for subpart E of part IV of subchapter

A of chapter 1 of such Code is amended to read as

follows:

“Sec. 48. Energy credit; reforestation credit; dry cleaning equipment credit.”

1       (d) EFFECTIVE DATE.—The amendments made by  
2 this section shall apply to property placed in service on  
3 or after January 1, 1999.

○