

106TH CONGRESS
1ST SESSION

H. R. 924

To amend the Internal Revenue Code of 1986 to allow vendor refunds of Federal excise taxes on undyed kerosene used in unvented heaters for home heating purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 2, 1999

Mr. MALONEY of Connecticut (for himself and Mr. SPRATT) 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 vendor refunds of Federal excise taxes on undyed kerosene used in unvented heaters for home heating 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. VENDOR REFUNDS OF FEDERAL EXCISE TAXES**

4 **ON UNDYED KEROSENE USED IN UNVENTED**
5 **HEATERS FOR HOME HEATING PURPOSES.**

6 (a) IN GENERAL.—Subparagraph (B) of section
7 6427(l)(5) of the Internal Revenue Code of 1986 (relating
8 to sales of kerosene not for use in motor fuel) is amended
9 by striking “or” at the end of clause (i), by striking the

1 period at the end of clause (ii) and inserting “, or”, and
 2 by adding at the end the following new clause:

3 “(iii) in a qualified residential sale (as
 4 defined in subparagraph (D)).”

5 (b) QUALIFIED RESIDENTIAL SALE.—Paragraph (5)
 6 of section 6427(l) of such Code is amended by adding at
 7 the end the following new subparagraph:

8 “(D) QUALIFIED RESIDENTIAL SALE.—
 9 For purposes of subparagraph (B)(iii), the term
 10 ‘qualified residential sale’ means any sale of
 11 kerosene if—

12 “(i) the kerosene is delivered into a
 13 storage tank (of at least 50 but not more
 14 than 200 gallons) located at a residence
 15 for use as a fuel in an unvented heater
 16 used for heating the residence, and

17 “(ii) the vendor reasonably believes
 18 that the kerosene is being so used.

19 Such term shall not include any sale which is
 20 more than 30 days after the date of the submis-
 21 sion to Congress of a study conducted by the
 22 Secretary which finds that kerosene which is
 23 dyed pursuant to section 4082 may be burned
 24 in unvented residential heaters without endan-
 25 gering the health or safety of the residents.”

1 (c) REFUNDS.—Subparagraph (A) of section
 2 6427(f)(4) of such Code is amended by adding at the end
 3 the following new sentence: “In a case to which subsection
 4 (l)(5)(B)(iii) applies, clause (ii) shall be applied by sub-
 5 stituting ‘1 month’ for ‘1 week’ and paragraph (3)(B)
 6 shall be applied by substituting ‘45 days’ for ‘20 days’.”

7 (d) EFFECTIVE DATE.—The amendments made by
 8 this section shall apply to sales after the date of the enact-
 9 ment of this Act.

10 **SEC. 2. STUDY OF SAFETY OF USING DYED KEROSENE IN**
 11 **UNVENTED RESIDENTIAL HEATERS.**

12 The Secretary of the Treasury or such Secretary’s
 13 delegate shall conduct a study of whether kerosene which
 14 has been dyed for Federal tax purposes may be used as
 15 a fuel in unvented residential heaters without endangering
 16 the health or safety of the residents. The results of such
 17 study shall be submitted to each House of Congress not
 18 later than January 1, 2000.

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