

107TH CONGRESS
1ST SESSION

H. R. 1863

To amend the Internal Revenue Code of 1986 to expand the credit for electricity produced from certain renewable resources to energy produced from landfill gas.

IN THE HOUSE OF REPRESENTATIVES

MAY 16, 2001

Mr. CAMP (for himself, Mr. EHLERS, Mr. FOLEY, and Mrs. JOHNSON of Connecticut) 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 expand the credit for electricity produced from certain renewable resources to energy produced from landfill gas.

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. CREDIT FOR ELECTRICITY PRODUCED FROM**
4 **CERTAIN RENEWABLE RESOURCES EX-**
5 **PANDED TO INCLUDE ENERGY PRODUCED**
6 **FROM LANDFILL GAS.**

7 (a) LANDFILL GAS TREATED AS RENEWABLE
8 SOURCE.—Paragraph (1) of section 45(c) of the Internal
9 Revenue Code of 1986 (relating to definitions) is amended

1 by striking “and” at the end of subparagraph (B), by
 2 striking the period at the end of subparagraph (C) and
 3 inserting “, and”, and by adding at the end the following
 4 new subparagraph:

5 “(D) landfill gas.”

6 (b) LANDFILL GAS DEFINED.—Subsection (c) of sec-
 7 tion 45 of such Code is amended by adding at the end
 8 the following new paragraph:

9 “(5) LANDFILL GAS.—The term ‘landfill gas’
 10 means gas generated from the decomposition of mu-
 11 nicipal solid waste.”

12 (c) CREDIT ALSO ALLOWABLE FOR SALE OF LAND-
 13 FILL GAS.—Section 45 of such Code is amended by add-
 14 ing at the end the following new subsection:

15 “(e) CREDIT ALLOWABLE FOR SALE OF LANDFILL
 16 GAS.—

17 “(1) IN GENERAL.—In the case of landfill gas
 18 which is produced by the taxpayer but not used by
 19 the taxpayer to produce electricity, paragraph (2) of
 20 subsection (a) shall be applied as if it read as fol-
 21 lows:

22 ““(2) the kilowatt-hour equivalent of the landfill
 23 gas—

24 ““(A) produced by the taxpayer at a quali-
 25 fied facility during the 10-year period beginning

1 on the date the facility was originally placed in
2 service, and

3 ““(B) sold by the taxpayer to an unrelated
4 person during the taxable year.’

5 “(2) KILOWATT HOUR EQUIVALENT.—For pur-
6 poses of applying this subsection, the kilowatt hour
7 equivalent for landfill gas is the amount of such gas
8 which has a Btu content of 10,000.

9 “(3) SPECIAL RULES.—In the case of landfill
10 gas to which this subsection applies—

11 “(A) the reference to electricity in para-
12 graphs (1) and (4) of subsection (d) shall be
13 treated as including a reference to such gas,

14 “(B) the reference price for such gas shall
15 be determined under subsection (d)(2)(C) on
16 the basis of kilowatt hour equivalents, and

17 “(C) the reference to ownership interests
18 in subsection (d)(3) shall be treated as includ-
19 ing a reference to any economic interest.”

20 (d) QUALIFIED FACILITY.—Paragraph (3) of section
21 45(c) of such Code is amended—

22 (1) by striking “2002” each place it appears
23 and inserting “2004”, and

24 (2) by adding at the end the following new sub-
25 paragraph:

1 “(D) LANDFILL GAS FACILITY.—

2 “(i) IN GENERAL.—In the case of a
3 landfill gas facility, the term ‘qualified fa-
4 cility’ means any facility of the taxpayer
5 which is originally placed in service after
6 June 30, 1998, and before January 1,
7 2004.

8 “(ii) LANDFILL GAS FACILITY.—For
9 purposes of clause (i), the term ‘landfill
10 gas facility’ means equipment and housing
11 required to produce electricity from landfill
12 gas or to produce landfill gas for sale (not
13 including wells and related systems re-
14 quired to collect and transmit gas to such
15 equipment and housing).”

16 (e) EFFECTIVE DATE.—The amendments made by
17 this section shall take effect on the date of the enactment
18 of this Act.

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