

107TH CONGRESS
1ST SESSION

H. R. 2264

To amend the Internal Revenue Code of 1986 to expand the expensing
of environmental remediation costs.

IN THE HOUSE OF REPRESENTATIVES

JUNE 21, 2001

Mr. WELLER (for himself, Mr. COYNE, 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 expensing of environmental remediation costs.

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. EXPANSION OF EXPENSING OF ENVIRON-**
4 **MENTAL REMEDIATION COSTS.**

5 (a) PROVISION MADE PERMANENT.—Section 198 of
6 the Internal Revenue Code of 1986 (relating to expensing
7 of environmental remediation costs) is amended by strik-
8 ing subsection (h).

9 (b) EXPANSION OF ELIGIBLE CONTAMINATES.—

1 (1) IN GENERAL.—Section 198(c)(1)(B) of the
2 Internal Revenue Code of 1986 (defining qualified
3 contaminated site) is amended by striking “haz-
4 ardous substance” and inserting “hazardous or toxic
5 substance, or in which is located 1 or more struc-
6 tures in which such substance is found or of which
7 such substance is a part”.

8 (2) HAZARDOUS OR TOXIC SUBSTANCE.—Sec-
9 tion 198(d)(1) of such Code (defining hazardous
10 substance) is amended—

11 (A) by inserting “or toxic” after “haz-
12 ardous” in the matter preceding subparagraph
13 (A),

14 (B) by striking “and” at the end of sub-
15 paragraph (A),

16 (C) by striking the period at the end of
17 subparagraph (B) and inserting a comma, and

18 (D) by adding at the end the following new
19 subparagraphs:

20 “(C) any substance which is listed as an
21 extremely hazardous substance under section
22 302(a) of the Emergency Planning and Com-
23 munity Right-to-Know Act of 1986, and

24 “(D) any asbestos (whether friable or non-
25 friable), oil (as defined in section 1001(23) of

the Oil Pollution Act of 1990), pesticide (as defined in section 2(u) of the Federal Insecticide, Fungicide, and Rodenticide Act), radon, and lead-based paint (as defined in Lead: Requirements for Disclosure of Known Lead-Based Paint and/or Lead-Based Paint Hazards in Housing (61 Fed. Reg. 9062)).”.

(3) CONFORMING AMENDMENTS.—

(A) Paragraphs (1) and (2) of section 198(b) of such Code are each amended by inserting “or toxic” after “hazardous”.

(B) Section 198(d)(2) of such Code is amended by striking “of such Act” and all that follows and inserting “of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 by reason of subparagraph (A) or (C) of subsection (a)(3) thereof.”.

(C) The heading for section 198(d) of such Code is amended by inserting “OR TOXIC” after “HAZARDOUS”.

(c) ELIMINATION OF RECAPTURE ON SALE.—Section 198 of the Internal Revenue Code of 1986 is amended by striking subsection (e) and by redesignating subsections (f) and (g) as subsections (e) and (f), respectively.

1 (d) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to expenditures paid or incurred
3 after the date of the enactment of this Act in taxable years
4 ending after such date.

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