

108TH CONGRESS
1ST SESSION

H. R. 1331

To amend the Internal Revenue Code of 1986 to extend and modify the credit for producing fuel from a nonconventional source.

IN THE HOUSE OF REPRESENTATIVES

MARCH 18, 2003

Mr. MOORE (for himself, Mr. BURR, Mrs. CAPITO, Mr. TURNER of Texas, Mr. STENHOLM, Mr. SANDLIN, and Ms. MCCARTHY of Missouri) 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 extend and modify the credit for producing fuel from a nonconventional source.

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. EXTENSION AND MODIFICATION OF CREDIT**
4 **FOR PRODUCING FUEL FROM A NONCONVEN-**
5 **TIONAL SOURCE.**

6 (a) IN GENERAL.—Section 29 of the Internal Rev-
7 enue Code of 1986 is amended by adding at the end the
8 following new subsection:

9 “(h) EXTENSION FOR OTHER FACILITIES.—

1 “(1) EXTENSION FOR OIL AND CERTAIN GAS.—

2 In the case of a well for producing qualified fuels de-
3 scribed in subparagraph (A) or (B)(i) of subsection
4 (c)(1)—

5 “(A) APPLICATION OF CREDIT FOR NEW
6 WELLS.—Notwithstanding subsection (f), this
7 section shall apply with respect to such fuels—

8 “(i) which are produced from a well
9 drilled after the date of the enactment of
10 this subsection and before January 1,
11 2007, and

12 “(ii) which are sold not later than the
13 close of the 4-year period beginning on the
14 date that such well is drilled, or, if earlier,
15 January 1, 2010.

16 “(B) EXTENSION OF CREDIT FOR OLD
17 WELLS.—Subsection (f)(2) shall be applied by
18 substituting ‘2007’ for ‘2003’ with respect to
19 wells described in subsection (f)(1)(A) with re-
20 spect to such fuels.

21 “(2) EXTENSION FOR FACILITIES PRODUCING
22 QUALIFIED FUEL FROM LANDFILL GAS.—

23 “(A) IN GENERAL.—In the case of a facil-
24 ity for producing qualified fuel from landfill gas
25 which was placed in service after June 30,

1 1998, and before January 1, 2007, this section
2 shall apply to fuel produced at such facility dur-
3 ing the 5-year period beginning on the later
4 of—

5 “(i) the date such facility was placed
6 in service, or

7 “(ii) the date of the enactment of this
8 subsection.

9 “(B) REDUCTION OF CREDIT FOR CERTAIN
10 LANDFILL FACILITIES.—In the case of a facility
11 to which paragraph (1) applies and which is
12 subject to the 1996 New Source Performance
13 Standards/Emmissions Guidelines of the Envi-
14 ronmental Protection Agency, subsection (a)(1)
15 shall be applied by substituting ‘\$2’ for ‘\$3’.

16 “(3) SPECIAL RULES.—In determining the
17 amount of credit allowable under this section solely
18 by reason of this subsection—

19 “(A) DAILY LIMIT.—The amount of quali-
20 fied fuels sold during any taxable year which
21 may be taken into account by reason of this
22 subsection with respect to any project shall not
23 exceed an average barrel-of-oil equivalent of
24 200,000 cubic feet of natural gas per day. Days
25 before the date the project is placed in service

1 shall not be taken into account in determining
2 such average.

3 “(B) EXTENSION PERIOD TO COMMENCE
4 WITH UNADJUSTED CREDIT AMOUNT.—In the
5 case of fuels sold during 2001 and 2002, the
6 dollar amount applicable under subsection
7 (a)(1) shall be \$3 (without regard to subsection
8 (b)(2)). In the case of fuels sold after 2002,
9 subparagraph (B) of subsection (d)(2) shall be
10 applied by substituting ‘2002’ for ‘1979’.”.

11 (b) EFFECTIVE DATE.—The amendment made by
12 this section shall apply to fuel sold after the date of the
13 enactment of this Act.

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