

108TH CONGRESS
2D SESSION

H. R. 4553

To amend the Internal Revenue Code of 1986 to provide tax incentives to encourage manufacturers of computer and television equipment to operate an environmentally sound recycling program for use by consumers who want to discard the equipment.

IN THE HOUSE OF REPRESENTATIVES

JUNE 14, 2004

Mr. CUNNINGHAM (for himself and Mr. CANTOR) 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 provide tax incentives to encourage manufacturers of computer and television equipment to operate an environmentally sound recycling program for use by consumers who want to discard the equipment.

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 “Tax Incentives to En-
5 courage Recycling Act of 2004” or the “TIER Act of
6 2004”.

1 **SEC. 2. CREDIT FOR POST-CONSUMER RECYCLING OF COM-**
 2 **PUTER AND TELEVISION EQUIPMENT BY**
 3 **MANUFACTURERS OF THE EQUIPMENT.**

4 (a) IN GENERAL.—Subpart D of part IV of sub-
 5 chapter A of chapter 1 of the Internal Revenue Code of
 6 1986 (relating to business-related credits) is amended by
 7 adding at the end the following new section:

8 **“SEC. 45G. POST-CONSUMER RECYCLING OF COMPUTER**
 9 **AND TELEVISION EQUIPMENT BY MANUFAC-**
 10 **TURERS OF THE EQUIPMENT.**

11 “(a) GENERAL RULE.—For purposes of section 38,
 12 in the case of a manufacturer of computer equipment or
 13 televisions, the recycling equipment credit determined
 14 under this section for the taxable year is the amount de-
 15 termined under subsection (b) for each item of such equip-
 16 ment—

17 “(1) which was manufactured by such manufac-
 18 turer, and

19 “(2) which is disposed of by such manufacturer
 20 pursuant to a qualified recycling program.

21 “(b) AMOUNT OF CREDIT.—The amount of credit
 22 shall be determined as follows:

| “Type of item: | Amount of credit: |
|---------------------------------|--------------------------|
| Central processing unit | \$4 |
| Monitor | \$4 |
| Printer | \$4 |
| Mouse and Keyboard (both) | \$1 |
| Television | \$4. |

1 “(c) DEFINITIONS.—For purposes of this section—

2 “(1) COMPUTER.—The term ‘computer’ means
3 an electronic, magnetic, optical, electrochemical, or
4 other high speed data processing device performing
5 logical, arithmetic, or storage functions, and may in-
6 clude both a central processing unit and a monitor,
7 but such term does not include an automated type-
8 writer or typesetter, a portable hand held calculator,
9 or other similar device.

10 “(2) CENTRAL PROCESSING UNIT.—The term
11 ‘central processing unit’ includes a case and all of its
12 contents, such as the primary printed circuit board
13 and its components, additional printed circuit
14 boards, one or more disc drives, a transformer, inte-
15 rior wire, and a power cord.

16 “(3) MONITOR.—The term ‘monitor’ means a
17 separate visual display component of a computer,
18 whether sold separately or together with a central
19 processing unit, and includes a cathode ray tube or
20 liquid crystal display, its case, interior wires and cir-
21 cuitry, cable to the central processing unit, and
22 power cord.

23 “(4) QUALIFIED RECYCLING PROGRAM.—The
24 term ‘qualified recycling program’ means any pro-
25 gram under which all parts of the computer or tele-

1 vision (including any hazardous waste, as defined in
2 section 1004(5) of the Solid Waste Disposal Act (42
3 U.S.C. 6903)) are disposed of in an environmentally
4 sound and responsible manner.”

5 (b) CONFORMING AMENDMENT.—Section 38(b) of
6 such Code (relating to general business credit) is amended
7 by striking “plus” at the end of paragraph (14), by strik-
8 ing the period at the end of paragraph (15) and inserting
9 “, plus”, and by adding at the end the following new para-
10 graph:

11 “(16) in the case of a manufacturer of com-
12 puter equipment or televisions, the recycling equip-
13 ment credit determined under section 45G(a).”.

14 (c) CLERICAL AMENDMENT.—The table of sections
15 for subpart D of part IV of subchapter A of chapter 1
16 of such Code is amended by inserting after the item relat-
17 ing to section 45F the following new item:

“Sec. 45G. Post-consumer recycling of computer and television
equipment by manufacturers of the equipment.”.

18 (d) EFFECTIVE DATE.—The amendments made by
19 this section shall apply to taxable years beginning after
20 the date of the enactment of this Act.

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