

108TH CONGRESS
1ST SESSION

S. 934

To amend the Internal Revenue Code of 1986 to modify the small refiner exception to the oil depletion deduction.

IN THE SENATE OF THE UNITED STATES

APRIL 29, 2003

Mr. BREAUX (for himself and Mr. NICKLES) introduced the following bill;
which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to modify the small refiner exception to the oil depletion deduction.

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. DETERMINATION OF SMALL REFINER EXCEP-**
4 **TION TO OIL DEPLETION DEDUCTION.**

5 (a) IN GENERAL.—Paragraph (4) of section 613A(d)
6 of the Internal Revenue Code of 1986 (relating to certain
7 refiners excluded) is amended to read as follows:

8 “(4) CERTAIN REFINERS EXCLUDED.—If the
9 taxpayer or a related person engages in the refining
10 of crude oil, subsection (c) shall not apply to the

1 taxpayer for a taxable year if the average daily refin-
2 ery runs of the taxpayer and the related person for
3 the taxable year exceed 75,000 barrels. For purposes
4 of this paragraph, the average daily refinery runs for
5 any taxable year shall be determined by dividing the
6 aggregate refinery runs for the taxable year by the
7 number of days in the taxable year.”.

8 (b) EFFECTIVE DATE.—The amendment made by
9 this section shall apply to taxable years beginning after
10 December 31, 2002.

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