

109TH CONGRESS  
1ST SESSION

# H. R. 3712

To establish a program for gas stamps and to impose a windfall profits tax on crude oil, natural gas, and products thereof.

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## IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 8, 2005

Mr. McDERMOTT introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To establish a program for gas stamps and to impose a windfall profits tax on crude oil, natural gas, and products thereof.

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 “Gas Stamps Act of  
5       2005”.

6       **SEC. 2. GAS STAMPS.**

7       The Secretary of Energy shall establish a program  
8       for the equitable allocation among the States of gas

1 stamps for distribution to individuals eligible to receive  
 2 food stamps who can demonstrate a need for gasoline. The  
 3 Secretary, in coordination with the Secretary of Agri-  
 4 culture, shall, to the extent practicable, provide for the dis-  
 5 tribution of gas stamps under this section in conjunction  
 6 with the distribution of food stamps. The program estab-  
 7 lished under this section shall provide for the national dis-  
 8 tribution of not to exceed \$330,000,000 in each of the first  
 9 3 months after the date of enactment of this Act.

10 **SEC. 3. WINDFALL PROFITS TAX ON CRUDE OIL, NATURAL**  
 11 **GAS, AND PRODUCTS THEREOF.**

12 (a) IN GENERAL.—Subtitle E of the Internal Rev-  
 13 enue Code of 1986 (relating to alcohol, tobacco, and cer-  
 14 tain other excise taxes) is amended by adding at the end  
 15 the following new chapter:

16 **“CHAPTER 56—WINDFALL PROFIT ON**  
 17 **CRUDE OIL, NATURAL GAS, AND PROD-**  
 18 **UCTS THEREOF**

“Sec. 5896. Imposition of tax.

19 **“SEC. 5896. IMPOSITION OF TAX.**

20 “(a) IN GENERAL.—In addition to any other tax im-  
 21 posed under this title, there is hereby imposed an excise  
 22 tax on the sale in the United States of any crude oil, nat-  
 23 ural gas, or other taxable product a tax equal to the wind-  
 24 fall profit on such sale.

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

2 “(1) WINDFALL PROFIT.—The term ‘windfall  
3 profit’ means, with respect to any sale, so much of  
4 the profit on such sale as exceeds a 15 percent  
5 pretax rate of return.

6 “(2) TAXABLE PRODUCT.—The term ‘taxable  
7 product’ means any fuel which is a product of crude  
8 oil or natural gas.

9 “(c) LIABILITY FOR PAYMENT OF TAX.—The taxes  
10 imposed by subsection (a) shall be paid by the seller.

11 “(d) TERMINATION.—No tax shall be imposed under  
12 this section with respect to any sales after the date on  
13 which the Secretary certifies that \$990,000,000 has been  
14 received under this section.”.

15 (b) CLERICAL AMENDMENT.—The table of chapters  
16 for subtitle E of such Code is amended by adding at the  
17 end the following new item:

“CHAPTER 56. WINDFALL PROFIT ON CRUDE OIL AND REFINED PETROLEUM  
PRODUCTS”.

18 (c) EFFECTIVE DATE.—The amendments made by  
19 this section shall take effect on the date of the enactment  
20 of this Act.

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