

109TH CONGRESS
1ST SESSION

H. R. 4441

To amend the Internal Revenue Code of 1986 to allow a credit against tax for certain expenses related to the use of recycled materials in qualified highway or surface freight transfer facilities.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 6, 2005

Mr. ANDREWS 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 allow a credit against tax for certain expenses related to the use of recycled materials in qualified highway or surface freight transfer facilities.

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 “Recycled Highway
5 Product Tax Act of 2005”.

6 **SEC. 2. RECYCLED HIGHWAY PRODUCT TAX CREDIT.**

7 (a) IN GENERAL.—Subpart D of part IV of sub-
8 chapter A of chapter 1 of the Internal Revenue Code of

1 1986 (relating to business related credits) is amended by
2 adding at the end the following new section:

3 **“SEC. 45N. RECYCLED HIGHWAY PRODUCT TAX CREDIT.**

4 “(a) GENERAL RULE.—For purposes of section 38,
5 the recycled highway product tax credit determined under
6 this section for a taxable year is an amount equal to 5
7 percent of the amount paid or incurred by the taxpayer
8 during the taxable year to purchase qualified recycled ma-
9 terials for qualified highway or surface freight transfer fa-
10 cilities (as defined in section 142(m)(1)).

11 “(b) LIMITATIONS.—With respect to a taxpayer, the
12 credit allowed under subsection (a) shall not exceed
13 \$15,000 for a taxable year.

14 “(c) QUALIFIED RECYCLED MATERIALS.—For pur-
15 poses of this section,

16 “(1) IN GENERAL.—The term ‘qualified recy-
17 cled material’ means material that contains at least
18 15 percent pre-consumer goods or post-consumer
19 goods.

20 “(2) PRE-CONSUMER GOODS.—The term ‘pre-
21 consumer goods’ means raw materials that are by-
22 products of a manufacturing process, but have not
23 yet been used by a consumer.

1 “(3) POST-CONSUMER GOODS.—The term ‘post-
2 consumer goods’ means materials that have been
3 used by a consumer.”.

4 (b) CONFORMING AMENDMENTS.—

5 (1) Section 38(b) of such Code is amended by
6 striking “and” at the end of paragraph (25), by
7 striking the period at the end of paragraph (26) and
8 inserting “, and”, and by adding at the end the fol-
9 lowing new paragraph:

10 “(27) the recycled highway product tax credit
11 determined under section 45N.”.

12 (2) The table of sections for subpart D of part
13 IV of subchapter A of chapter 1 of such Code is
14 amended by adding at the end the following new
15 item:

“Sec. 45N. Recycled highway product tax credit.”.

16 (c) EFFECTIVE DATE.—The amendments made by
17 this section shall apply to taxable years beginning after
18 December 31, 2006.

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