

109<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 4623

To repeal tax subsidies for oil and gas enacted by the Energy Policy Act of 2005 and to use the proceeds to double certain alternative energy incentives provided for in such Act.

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## IN THE HOUSE OF REPRESENTATIVES

DECEMBER 17, 2005

Mr. KENNEDY of Minnesota (for himself and Mr. UDALL of Colorado) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To repeal tax subsidies for oil and gas enacted by the Energy Policy Act of 2005 and to use the proceeds to double certain alternative energy incentives provided for in such Act.

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 “Clean Alternatives for  
5       Energy Independence Act of 2005”.

1 **SEC. 2. REPEAL OF TAX SUBSIDIES ENACTED BY THE EN-**  
2 **ERGY POLICY ACT OF 2005 FOR OIL AND GAS.**

3 (a) REPEAL.—The following provisions, and amend-  
4 ments made by such provisions, of the Energy Policy Act  
5 of 2005 are hereby repealed:

6 (1) Section 1323 (relating to temporary expens-  
7 ing for equipment used in refining of liquid fuels).

8 (2) Section 1324 (relating to pass through to  
9 owners of deduction for capital costs incurred by  
10 small refiner cooperatives in complying with Envi-  
11 ronmental Protection Agency sulfur regulations).

12 (3) Section 1325 (relating to natural gas dis-  
13 tribution lines treated as 15-year property).

14 (4) Section 1326 (relating to natural gas gath-  
15 ering lines treated as 7-year property).

16 (5) Section 1328 (relating to determination of  
17 small refiner exception to oil depletion deduction).

18 (6) Section 1329 (relating to amortization of  
19 geological and geophysical expenditures).

20 (b) ADMINISTRATION OF INTERNAL REVENUE CODE  
21 OF 1986.—The Internal Revenue Code of 1986 shall be  
22 applied and administered as if the provisions, and amend-  
23 ments, specified in subsection (a) had never been enacted.

1 **SEC. 3. INCREASE IN FUEL CELL TAX INCENTIVES FOR RES-**  
2 **IDENTIAL AND BUSINESS USES.**

3 (a) RESIDENTIAL USE.—Subparagraph (C) of sec-  
4 tion 25D(b)(1) of the Internal Revenue Code of 1986 (re-  
5 lating to maximum credit) is amended by striking “\$500”  
6 and inserting “\$1,000”.

7 (b) BUSINESS USE.—

8 (1) INCREASE.—Subparagraph (B) of section  
9 (48)(c)(1) of such Code (relating to qualified fuel  
10 cell property) is amended by striking “\$500” and in-  
11 sserting “\$1,000”.

12 (2) EXTENSION.—Subparagraph (E) of section  
13 (48)(c)(1) of such Code (relating to termination) is  
14 amended by striking “December 31, 2007” and in-  
15 sserting “December 31, 2012”.

16 **SEC. 4. ALTERNATIVE MOTOR VEHICLE TAX INCENTIVES.**

17 (a) INCREASES IN CREDIT.—

18 (1) NEW QUALIFIED FUEL CELL MOTOR VEHI-  
19 CLE.—Subsection (b) of section 30B of such Code  
20 (relating to new qualified fuel cell motor vehicle  
21 credit) is amended—

22 (A) in paragraph (1)—

23 (i) by striking “\$8,000” in subpara-  
24 graph (A) and inserting “\$16,000”,

25 (ii) by striking “\$10,000” in subpara-  
26 graph (B) and inserting “\$20,000”,

1 (iii) by striking “\$20,000” in sub-  
2 paragraph (C) and inserting “\$40,000”,  
3 and

4 (iv) by striking “\$40,000” in subpara-  
5 graph (D) and inserting “\$80,000”, and  
6 (B) in paragraph (2)(A)—

7 (i) by striking “\$1,000” in clause (i)  
8 and inserting “\$2,000”,

9 (ii) by striking “\$1,500” in clause (ii)  
10 and inserting “\$3,000”,

11 (iii) by striking “\$2,000” in clause  
12 (iii) and inserting “\$4,000”,

13 (iv) by striking “\$2,500” in clause  
14 (iv) and inserting “\$5,000”,

15 (v) by striking “\$3,000” in clause (v)  
16 and inserting “\$6,000”,

17 (vi) by striking “\$3,500” in clause  
18 (vi) and inserting “\$7,000”, and

19 (vii) by striking “\$4,000” in clause  
20 (vii) and inserting “\$8,000”.

21 (2) NEW ADVANCED LEAN BURN TECHNOLOGY  
22 MOTOR VEHICLE.—

23 (A) FUEL ECONOMY.—The table in clause  
24 (i) of section 30B(c)(2)(A) of such Code (relat-  
25 ing to fuel economy) is amended—

1 (i) by striking “\$400” and inserting  
2 “\$800”,

3 (ii) by striking “\$800” and inserting  
4 “\$1,600”,

5 (iii) by striking “\$1,200” and insert-  
6 ing “\$2,400”,

7 (iv) by striking “\$1,600” and insert-  
8 ing “\$3,200”,

9 (v) by striking “\$2,000” and inserting  
10 “\$4,000”, and

11 (vi) by striking “\$2,400” and insert-  
12 ing “\$4,800”.

13 (B) CONSERVATION.—The table in sub-  
14 paragraph (B) of section 30B(c)(2) of such  
15 Code (relating to conservation credit) is amend-  
16 ed—

17 (i) by striking “\$250” and inserting  
18 “\$500”,

19 (ii) by striking “\$500” and inserting  
20 “\$1,000”,

21 (iii) by striking “\$750” and inserting  
22 “\$1,500”, and

23 (iv) by striking “\$1,000” and insert-  
24 ing “\$2,000”.

1 (b) EXPANSION OF NUMBER OF NEW QUALIFIED  
2 HYBRID AND ADVANCED LEAN BURN TECHNOLOGY VE-  
3 HICLES ELIGIBLE FOR CREDIT.—Paragraph (2) of section  
4 30B(f) of such Code (relating to phaseout) is amended  
5 by striking “60,000” and inserting “120,000”.

6 (c) INCREASE IN CREDIT FOR ALTERNATIVE FUEL  
7 VEHICLE REFUELING PROPERTY.—Subsection (b) of sec-  
8 tion 30C of such Code (relating to limitation) is amend-  
9 ed—

10 (1) in paragraph (1) by striking “\$30,000” and  
11 inserting “\$60,000”, and

12 (2) in paragraph (2) by striking “\$1,000” and  
13 inserting “\$2,000”.

14 (d) EXTENSIONS OF INCENTIVES.—

15 (1) NEW QUALIFIED FUEL CELL MOTOR VEHI-  
16 CLE.—Paragraph (1) of section 30B(j) of such Code  
17 (relating to termination) is amended by striking  
18 “December 31, 2014” and inserting “December 31,  
19 2019”.

20 (2) ALTERNATIVE FUEL VEHICLE REFUELING  
21 PROPERTY.—

22 (A) HYDROGEN-RELATED PROPERTY.—  
23 Paragraph (1) of section 30C(g) of such Code  
24 (relating to termination) is amended by striking

1           “December 31, 2014” and inserting “December  
2           31, 2019”.

3           (B) OTHER FUELS-RELATED PROPERTY.—  
4           Paragraph (2) of section 30C(g) of such Code  
5           (relating to termination) is amended by striking  
6           “December 31, 2009” and inserting “December  
7           31, 2011”.

8           (e) EFFECTIVE DATE.—The amendments made by  
9           this section shall take effect as if included in the provisions  
10          of the Energy Policy Act of 2005 to which they relate.

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