

109TH CONGRESS  
2D SESSION

# H. R. 4672

To amend the Internal Revenue Code of 1986 to allow a credit for the purchase of idling reduction systems for diesel-powered on-highway vehicles.

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## IN THE HOUSE OF REPRESENTATIVES

JANUARY 31, 2006

Ms. GRANGER introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to allow a credit for the purchase of idling reduction systems for diesel-powered on-highway vehicles.

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 “Idling Reduction Tax  
5       Credit Act of 2006”.

6       **SEC. 2. IDLING REDUCTION 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  
9       1986 (relating to business-related credits) is amended by  
10      adding at the end the following new section:

1 **“SEC. 45N. IDLING REDUCTION CREDIT.**

2       “(a) GENERAL RULE.—For purposes of section 38,  
3 the idling reduction tax credit determined under this sec-  
4 tion for the taxable year is an amount equal to 25 percent  
5 of the amount paid or incurred for each qualifying idling  
6 reduction device placed in service by the taxpayer during  
7 the taxable year.

8       “(b) LIMITATION.—The maximum amount allowed as  
9 a credit under subsection (a) shall not exceed \$1,000 per  
10 device.

11       “(c) DEFINITIONS.—For purposes of subsection  
12 (a)—

13               “(1) QUALIFYING IDLING REDUCTION DE-  
14       VICE.—The term ‘qualifying idling reduction device’  
15       means any device or system of devices that—

16                       “(A) is installed on a heavy-duty diesel-  
17                       powered on-highway vehicle,

18                       “(B) is designed to provide to such vehicle  
19                       those services (such as heat, air conditioning, or  
20                       electricity) that would otherwise require the op-  
21                       eration of the main drive engine while the vehi-  
22                       cle is temporarily parked or remains stationary,

23                       “(C) the original use of which commences  
24                       with the taxpayer,

25                       “(D) is acquired for use by the taxpayer  
26                       and not for resale, and

“(E) is certified by the Secretary of Energy, in consultation with the Administrator of the Environmental Protection Agency and the Secretary of Transportation, to reduce long-duration idling of such vehicle at a motor vehicle rest stop or other location where such vehicles are temporarily parked or remain stationary.

“(2) HEAVY-DUTY DIESEL-POWERED ON-HIGHWAY VEHICLE.—The term ‘heavy-duty diesel-powered on-highway vehicle’ means any vehicle, machine, tractor, trailer, or semi-trailer propelled or drawn by mechanical power and used upon the highways in the transportation of passengers or property, or any combination thereof determined by the Federal Highway Administration.

“(3) LONG-DURATION IDLING.—The term ‘long-duration idling’ means the operation of a main drive engine, for a period greater than 15 consecutive minutes, where the main drive engine is not engaged in gear. Such term does not apply to routine stoppages associated with traffic movement or congestion.

“(d) NO DOUBLE BENEFIT.—For purposes of this section—

1           “(1) REDUCTION IN BASIS.—If a credit is de-  
 2           termined under this section with respect to any  
 3           property by reason of expenditures described in sub-  
 4           section (a), the basis of such property shall be re-  
 5           duced by the amount of the credit so determined.

6           “(2) OTHER DEDUCTIONS AND CREDITS.—No  
 7           deduction or credit shall be allowed under any other  
 8           provision of this chapter with respect to the amount  
 9           of the credit determined under this section.

10          “(e) ELECTION NOT TO CLAIM CREDIT.—This sec-  
 11          tion shall not apply to a taxpayer for any taxable year  
 12          if such taxpayer elects to have this section not apply for  
 13          such taxable year.”.

14          (b) CREDIT TO BE PART OF GENERAL BUSINESS  
 15          CREDIT.—Subsection (b) of section 38 of such Code (re-  
 16          lating to general business credit) is amended by striking  
 17          “plus” at the end of paragraph (25), by striking the period  
 18          at the end of paragraph (26) and inserting “, plus” , and  
 19          by adding at the end the following new paragraph:

20                 “(27) the idling reduction tax credit determined  
 21                 under section 45N(a).”.

22          (c) CONFORMING AMENDMENTS.—

23                 (1) The table of sections for subpart D of part  
 24                 IV of subchapter A of chapter 1 of such Code is

1       amended by inserting after the item relating to sec-  
2       tion 45M the following new item:

“Sec. 45N. Idling reduction credit”.

3           (2) Section 1016(a) of such Code is amended  
4       by striking “and” at the end of paragraph (36), by  
5       striking the period at the end of paragraph (37) and  
6       inserting “, and”, and by adding at the end the fol-  
7       lowing:

8           “(38) in the case of a facility with respect to  
9       which a credit was allowed under section 45N, to the  
10      extent provided in section 45N(d)(A).”.

11      (d) EFFECTIVE DATE.—The amendments made by  
12      this section shall apply to taxable years beginning after  
13      December 31, 2005.

14      **SEC. 3. DETERMINATION OF CERTIFICATION STANDARDS**  
15                           **BY SECRETARY OF ENERGY FOR CERTIFYING**  
16                           **IDLING REDUCTION DEVICES.**

17      Not later than 6 months after the date of the enact-  
18      ment of this Act and in order to reduce air pollution and  
19      fuel consumption, the Secretary of Energy, in consultation  
20      with the Administrator of the Environmental Protection  
21      Agency and the Secretary of Transportation, shall publish  
22      the standards under which the Secretary, in consultation  
23      with the Administrator of the Environmental Protection  
24      Agency and the Secretary of Transportation, will, for pur-  
25      poses of section 45N of the Internal Revenue Code of 1986

1 (as added by section 2 of this Act), certify the idling re-  
2 duction devices which will reduce long-duration idling of  
3 vehicles at motor vehicle rest stops or other locations  
4 where such vehicles are temporarily parked or remain sta-  
5 tionary in order to reduce air pollution and fuel consump-  
6 tion.

