

109TH CONGRESS  
2D SESSION

# H. R. 5208

To amend the Internal Revenue Code of 1986 to make permanent certain tax incentives for alternative energy, to amend the Clean Air Act to accelerate the use of renewable fuels, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

APRIL 26, 2006

Mr. NUSSLE (for himself, Mr. LATHAM, Mr. LEACH, Mr. KING of Iowa, Mr. BOSWELL, Mr. OSBORNE, Mr. HULSHOF, Mr. TERRY, and Mr. WELLER) 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 amend the Internal Revenue Code of 1986 to make permanent certain tax incentives for alternative energy, to amend the Clean Air Act to accelerate the use of renewable fuels, and for other purposes.

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 “Independence from Oil  
5 with Agriculture Act of 2006”.

1 **SEC. 2. EXCISE TAX PROVISIONS AND INCOME TAX CREDIT**  
2 **FOR BIODIESEL AND ETHANOL MADE PERMA-**  
3 **NENT.**

4 (a) INCOME TAX CREDITS.—

5 (1) Section 40 of the Internal Revenue Code of  
6 1986 (relating to alcohol used as fuel) is amended  
7 by striking subsection (e).

8 (2) Section 40A of such Code (relating to bio-  
9 diesel and renewable diesel used as fuel) is amended  
10 by striking subsection (g).

11 (b) EXCISE TAX PROVISIONS.—

12 (1) Subsection (b) of section 6426 of such Code  
13 (relating to alcohol fuel mixture credit) is amended  
14 by striking paragraph (5).

15 (2) Subsection (c) of section 6426 of such Code  
16 (relating to biodiesel mixture credit) is amended by  
17 striking paragraph (6).

18 (3) Paragraph (5) of section 6427(e) of such  
19 Code, as amended by SAFETEA-LU, is amended—

20 (A) by striking subparagraphs (A) and  
21 (B),

22 (B) by redesignating subparagraphs (C)  
23 and (D) as subparagraphs (A) and (B), respec-  
24 tively, and

1 (C) in subparagraph (A), as so redesign-  
 2 nated, by striking “subparagraph (D)” and in-  
 3 serting “subparagraph (B)”.

4 **SEC. 3. CREDIT FOR ELECTRICITY PRODUCED FROM WIND,**  
 5 **OPEN-LOOP BIOMASS, AND CLOSED-LOOP**  
 6 **BIOMASS MADE PERMANENT.**

7 (a) WIND.—Paragraphs (1) of section 45(d) of the  
 8 Internal Revenue Code of 1986 is amended by striking “,  
 9 and before January 1, 2008”.

10 (b) CLOSED-LOOP BIOMASS.—Subparagraph (A) of  
 11 section 45(d)(2) of such Code is amended—

12 (1) in clause (i), by striking “, and before Jan-  
 13 uary 1, 2008”, and

14 (2) in clause (ii), by striking “before January  
 15 1, 2008,”.

16 (c) OPEN-LOOP BIOMASS.—Subparagraph (A) of sec-  
 17 tion 45(d)(3) of such Code is amended to read as follows:

18 “(A) IN GENERAL.—In the case of a facil-  
 19 ity using open-loop biomass to produce elec-  
 20 tricity, the term ‘qualified facility’ means—

21 “(i) in the case of a facility using ag-  
 22 ricultural livestock waste nutrients—

23 “(I) any facility owned by the  
 24 taxpayer which is originally placed in

1 service after the date of the enact-  
 2 ment of this subclause, and

3 “(II) the nameplate capacity rat-  
 4 ing of which is not less than 150 kilo-  
 5 watts, and

6 “(ii) in the case of any other facility,  
 7 any facility owned by the taxpayer.”.

8 **SEC. 4. CREDIT FOR CLEAN-FUEL VEHICLE REFUELING**  
 9 **PROPERTY MADE PERMANENT.**

10 Section 30C of the Internal Revenue Code of 1986  
 11 (relating to clean-fuel vehicle refueling property credit) is  
 12 amended by striking subsection (g).

13 **SEC. 5. RENEWABLE FUELS PROGRAM.**

14 Section 211(o)(2)(B) of the Clean Air Act (42 U.S.C.  
 15 7545(o)(2)(B) is amended as follows:

16 (1) In the table in clause (i):

17 (A) Strike “5.4” and insert “5.5” in the  
 18 item relating to 2008.

19 (B) Strike “6.1” and insert “6.5” in the  
 20 item relating to 2009.

21 (C) Strike “6.8” and insert “8.0” in the  
 22 item relating to 2010.

23 (D) Strike “7.4” and insert “10.0” in the  
 24 item relating to 2011.

1                   (E) Strike “7.5” and insert “12.0” in the  
2                   item relating to 2012.

3                   (2) In clause (i)(II)(aa) strike “7,500,000,000”  
4                   and insert “12,000,000,000” .

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