

109TH CONGRESS  
1ST SESSION

# S. 1078

To amend the Internal Revenue Code of 1986 to expand and extend the renewable resource credit and nonconventional source credit for landfill gas facilities.

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IN THE SENATE OF THE UNITED STATES

MAY 19, 2005

Mrs. LINCOLN introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To amend the Internal Revenue Code of 1986 to expand and extend the renewable resource credit and nonconventional source credit for landfill gas 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 “Landfill Gas-to-Energy  
5 Tax Credit Act”.

1 **SEC. 2. EXPANSION AND EXTENSION OF RENEWABLE RE-**  
 2 **SOURCE CREDIT FOR LANDFILL GAS FACILI-**  
 3 **TIES.**

4 (a) IN GENERAL.—Paragraph (6) of section 45(d) of  
 5 the Internal Revenue Code of 1986 (relating to landfill  
 6 gas facilities) is amended by striking “2006” and inserting  
 7 “2009”.

8 (b) CREDIT RATE AND PERIOD FOR ELECTRICITY  
 9 PRODUCED AND SOLD AFTER ENACTMENT DATE.—Sec-  
 10 tion 45(b)(4) of the Internal Revenue Code of 1986 (relat-  
 11 ing to credit rate and period for electricity produced and  
 12 sold from certain facilities) is amended—

13 (1) by striking “(6), or (7)” in subparagraphs  
 14 (A) and (B)(i) and inserting “or (7)”, and

15 (2) by inserting “and in the case of any facility  
 16 described in subsection (d)(6), the 7-year period be-  
 17 ginning on the date the facility was originally placed  
 18 in service shall be substituted for such 10-year pe-  
 19 riod” before the period at the end of subparagraph  
 20 (B)(i).

21 (c) EXTENSION FOR CERTAIN FACILITIES.—Section  
 22 45(e) of the Internal Revenue Code of 1986 (relating to  
 23 definitions and special rules) is amended by adding at the  
 24 end the following new paragraph:

25 “(10) EXTENSION FOR CERTAIN FACILITIES.—  
 26 In the case of any facility described in subsection

1 (d)(6), for purposes of subsection (b)(4), such facil-  
 2 ity shall be treated as being placed in service before  
 3 January 1, 2009, if such facility is placed in service  
 4 before July 1, 2009, pursuant to a binding written  
 5 contract in effect before January 1, 2009.”.

6 (d) EFFECTIVE DATE.—The amendments made by  
 7 this section shall take effect as if included in the amend-  
 8 ments made by section 710 of the American Jobs Creation  
 9 Act of 2004.

10 **SEC. 3. EXPANSION AND EXTENSION OF NONCONVEN-**  
 11 **TIONAL SOURCE CREDIT FOR LANDFILL GAS**  
 12 **FACILITIES.**

13 (a) IN GENERAL.—Section 29 of the Internal Rev-  
 14 enue Code of 1986 (relating to credit for producing fuel  
 15 from a nonconventional source) is amended by adding at  
 16 the end the following new subsection:

17 “(h) LANDFILL GAS FACILITIES.—Notwithstanding  
 18 subsection (f)—

19 “(1) IN GENERAL.—In the case of any facility  
 20 for producing qualified fuel from landfill gas which  
 21 was placed in service after the date of the enactment  
 22 of this subsection and before January 1, 2009, this  
 23 section shall apply to fuel produced at such facility  
 24 and sold during the 7-year period beginning on the  
 25 date such facility was placed in service.

1           “(2) CLARIFICATION OF PLACED IN SERVICE  
 2           DATE.—In the case of any facility described in para-  
 3           graph (1), such facility shall be treated as being  
 4           placed in service before January 1, 2009, if such fa-  
 5           cility is placed in service before July 1, 2009, pursu-  
 6           ant to a binding written contract in effect before  
 7           January 1, 2009.

8           “(3) REDUCTION OF CREDIT FOR CERTAIN FA-  
 9           CILITIES.—In the case of any facility to which para-  
 10          graph (1) applies and which is located at a landfill  
 11          which is required pursuant to section 60.751(b)(2)  
 12          or 60.33c of title 40, Code of Federal Regulations  
 13          (as in effect on the date of the enactment of this  
 14          subsection)to install and operate a collection and  
 15          control system which captures gas generated within  
 16          such landfill, subsection (a)(1) shall be applied to  
 17          gas so captured by substituting ‘\$2’ for ‘\$3’ for the  
 18          taxable year during which such system is required to  
 19          be installed and operated.”.

20          (b) EFFECTIVE DATE.—The amendment made by  
 21          this section shall apply to property placed in service after  
 22          the date of the enactment of this Act.

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