

110TH CONGRESS
1ST SESSION

H. R. 1965

To amend the Internal Revenue Code of 1986 to modify the credit to holders of clean renewable energy bonds.

IN THE HOUSE OF REPRESENTATIVES

APRIL 19, 2007

Mr. POMEROY (for himself and Mr. LEWIS of Kentucky) 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 modify the credit to holders of clean renewable energy bonds.

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. MODIFICATIONS TO CREDIT FOR CLEAN RE-**
4 **NEWABLE ENERGY BONDS.**

5 (a) **ADDITIONAL PERIOD FOR REIMBURSEMENT OF**
6 **COSTS PAID BY BORROWER.**—Subparagraph (C) of sec-
7 tion 54(d)(2) of the Internal Revenue Code of 1986 is
8 amended by striking clause (iii) and inserting the fol-
9 lowing:

1 “(iii) the reimbursement is made not
2 later than 18 months after the date the
3 original expenditure is paid or, if later, the
4 date that the project is placed in service or
5 abandoned.

6 In no event may the reimbursement under
7 clause (iii) be made more than 3 years after the
8 date the original expenditure is paid.”.

9 (b) CLARIFICATION OF RATABLE PRINCIPAL AMOR-
10 TIZATION REQUIREMENT.—Paragraph (5) of section 54(l)
11 of such Code is amended to read as follows:

12 “(5) RATABLE PRINCIPAL AMORTIZATION RE-
13 QUIRED.—A bond shall not be treated as a clean re-
14 newable energy bond unless it is part of an issue
15 which provides for an equal amount of principal to
16 be paid by the qualified issuer during each 12-month
17 period that the issue is outstanding (other than the
18 first 12-month period).”.

19 (c) MAXIMUM TERM OF ISSUE.—The second sentence
20 of section 54(e)(2) of such Code is amended by inserting
21 “the greater of 15 years or” after “Such maximum term
22 shall be”.

23 (d) INCREASE IN AMOUNT OF BONDS DESIGNATED;
24 EXTENSION THROUGH 2009.—

1 (1) IN GENERAL.—Subsection (f) of section 54
2 of such Code is amended to read as follows:

3 “(f) LIMITATION ON AMOUNT OF BONDS DES-
4 IGNATED.—

5 “(1) NATIONAL LIMITATION.—There is a na-
6 tional clean renewable energy bond limitation for
7 each calendar year. Such limitation is
8 \$1,000,000,000 for 2008 and 2009 and zero there-
9 after.

10 “(2) ALLOCATION BY SECRETARY.—The na-
11 tional clean renewable energy bond limitation for a
12 calendar year shall be allocated by the Secretary
13 among qualified projects in such manner as the Sec-
14 retary determines appropriate, except that the Sec-
15 retary may not allocate more than \$625,000,000 of
16 such limitation for each calendar year to finance
17 qualified projects of qualified borrowers which are
18 governmental bodies.”.

19 (2) CONFORMING AMENDMENT.—Section 54 of
20 such Code is amended by striking subsection (m).

21 (e) EFFECTIVE DATE.—

22 (1) IN GENERAL.—Except as provided in para-
23 graph (2), the amendments made by this section
24 shall apply to obligations issued after December 31,
25 2006.

1 (2) ANNUAL BOND LIMITATION.—The amend-
2 ments made by subsection (d) shall apply to obliga-
3 tions issued after December 31, 2007.

○