

110TH CONGRESS  
2D SESSION

# S. 3025

To amend the Internal Revenue Code of 1986 to allow a credit against  
tax for the purchase of a flexible fuel vehicle.

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IN THE SENATE OF THE UNITED STATES

MAY 15, 2008

Mr. THUNE 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 allow a  
credit against tax for the purchase of a flexible fuel vehicle.

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 “Flex Fuel for All  
5       Americans Act”.

6       **SEC. 2. FLEXIBLE FUEL MOTOR VEHICLE CREDIT.**

7       (a) ALLOWANCE OF CREDIT.—

8               (1) IN GENERAL.—Section 30B of the Internal  
9       Revenue Code of 1986 is amended by redesignating  
10       subsections (i) and (j) as subsections (j) and (k), re-

1       spectively, and by inserting after subsection (h) the  
2       following new subsection:

3       “(i) NEW QUALIFIED FLEXIBLE FUEL MOTOR VEHI-  
4       CLE CREDIT.—

5               “(1) IN GENERAL.—The new qualified flexible  
6       fuel motor vehicle credit determined under this sub-  
7       section is an amount equal to \$1,000 for each new  
8       qualified flexible fuel motor vehicle placed in service  
9       by the taxpayer during the taxable year.

10              “(2) INCREASED AMOUNT FOR OPTIMUM FLEXI-  
11       BLE FUEL VEHICLES.—In the case of a new quali-  
12       fied flexible fuel motor vehicle which is an optimum  
13       flexible fuel vehicle, the dollar amount in effect  
14       under paragraph (1) shall be increased by \$500.

15              “(3) NEW QUALIFIED FLEXIBLE FUEL MOTOR  
16       VEHICLE.—For purposes of this subsection, the term  
17       ‘new qualified flexible fuel motor vehicle’ means any  
18       motor vehicle—

19                      “(A) which is capable of operating on—

20                              “(i) both gasoline and either—

21                                      “(I) a blend of 85 percent eth-  
22                                      anol fuel and 15 percent gasoline, or

23                                      “(II) a blend of 85 percent meth-  
24                                      anol fuel and 15 percent gasoline, or

1 “(ii) both diesel fuel and a blend of 20  
2 percent biodiesel and 80 percent diesel  
3 fuel,

4 “(B) the original use of which commences  
5 with the taxpayer,

6 “(C) which is acquired by the taxpayer for  
7 use or lease, but not for resale, and

8 “(D) which is made by a manufacturer.

9 “(4) OPTIMUM FLEXIBLE FUEL VEHICLE.—For  
10 purposes of this subsection, the term ‘optimum flexi-  
11 ble fuel vehicle’ means a new qualified flexible fuel  
12 motor vehicle which is certified by the Environ-  
13 mental Protection Agency—

14 “(A) in the case of a motor vehicle de-  
15 scribed in paragraph (3)(A)(i), to achieve an ef-  
16 ficiency (determined in miles per gallon) when  
17 using a blend described in subclause (I) or (II)  
18 of paragraph (3)(A)(i) equal to or greater than  
19 the efficiency achieved by such vehicle when  
20 using gasoline alone, and

21 “(B) in the case of a motor vehicle de-  
22 scribed in paragraph (3)(A)(ii), to achieve an  
23 efficiency (determined in miles per gallon) when  
24 using a blend described in paragraph (3)(A)(ii)

1 equal to or greater than the efficiency achieved  
 2 by such vehicle when using diesel fuel alone.”.

3 (2) CONFORMING AMENDMENT.—Section  
 4 30B(a) of such Code is amended by striking “and”  
 5 at the end of paragraph (3), by striking the period  
 6 at the end of paragraph (4) and inserting “, and”,  
 7 and by adding at the end the following new para-  
 8 graph:

9 “(5) the new qualified flexible fuel motor vehicle  
 10 credit determined under subsection (i).”.

11 (b) TERMINATION.—Subsection (k) of section 30B of  
 12 the Internal Revenue Code of 1986, as redesignated by  
 13 subsection (a), is amended by striking “and” and the end  
 14 of paragraph (3), by striking the period at the end of para-  
 15 graph (4) and inserting “, and”, and by adding at the  
 16 end the following new paragraph:

17 “(5) in the case of a new qualified flexible fuel  
 18 motor vehicle (as described in subsection (i)), De-  
 19 cember 31, 2015.”.

20 (c) EFFECTIVE DATE.—The amendments made by  
 21 this section shall apply to property placed in service after  
 22 December 31, 2008, in taxable years ending after such  
 23 date.

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