

110TH CONGRESS  
1ST SESSION

# S. 894

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 SENATE OF THE UNITED STATES

MARCH 15, 2007

Mrs. LINCOLN (for herself, Mr. BUNNING, Mr. BINGAMAN, and Mr. SALAZAR) 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 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 2007”.

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

1 1986 (relating to business-related credits) is amended by  
 2 adding at the end the following new section:

3 **“SEC. 450. IDLING REDUCTION CREDIT.**

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

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

13       “(c) DEFINITIONS.—For purposes of subsection  
 14 (a)—

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

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

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

1           “(C) the original use of which commences  
2           with the taxpayer,

3           “(D) is acquired for use by the taxpayer  
4           and not for resale, and

5           “(E) is certified by the Secretary of En-  
6           ergy, in consultation with the Administrator of  
7           the Environmental Protection Agency and the  
8           Secretary of Transportation, to reduce long-du-  
9           ration idling of such vehicle at a motor vehicle  
10          rest stop or other location where such vehicles  
11          are temporarily parked or remain stationary.

12          “(2) HEAVY-DUTY DIESEL-POWERED ON-HIGH-  
13          WAY VEHICLE.—The term ‘heavy-duty diesel-pow-  
14          ered on-highway vehicle’ means any vehicle, ma-  
15          chine, tractor, trailer, or semi-trailer propelled or  
16          drawn by mechanical power and used upon the high-  
17          ways in the transportation of passengers or prop-  
18          erty, or any combination thereof determined by the  
19          Federal Highway Administration.

20          “(3) LONG-DURATION IDLING.—The term ‘long-  
21          duration idling’ means the operation of a main drive  
22          engine, for a period greater than 15 consecutive  
23          minutes, where the main drive engine is not engaged  
24          in gear. Such term does not apply to routine stop-

1 pages associated with traffic movement or conges-  
 2 tion.

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

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

10 “(2) OTHER DEDUCTIONS AND CREDITS.—No  
 11 deduction or credit shall be allowed under any other  
 12 provision of this chapter with respect to the amount  
 13 of the credit determined under this section.

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

18 (b) CREDIT TO BE PART OF GENERAL BUSINESS  
 19 CREDIT.—Subsection (b) of section 38 of such Code (re-  
 20 lating to general business credit) is amended by striking  
 21 “plus” at the end of paragraph (30), by striking the period  
 22 at the end of paragraph (31) and inserting “, plus”, and  
 23 by adding at the end the following new paragraph:

24 “(32) the idling reduction tax credit determined  
 25 under section 45O(a).”.

1 (c) CONFORMING AMENDMENTS.—

2 (1) The table of sections for subpart D of part  
3 IV of subchapter A of chapter 1 of such Code is  
4 amended by inserting after the item relating to sec-  
5 tion 45N the following new item:

“Sec. 45O. Idling reduction credit.”.

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

11 “(38) in the case of a facility with respect to  
12 which a credit was allowed under section 45O, to the  
13 extent provided in section 45O(d)(A).”.

14 (3) Section 6501(m) of such Code is amended  
15 by inserting “45O(e)” after “45C(d)(4)”.

16 (d) EFFECTIVE DATE.—The amendments made by  
17 this section shall apply to taxable years beginning after  
18 December 31, 2006.

19 **SEC. 3. DETERMINATION OF CERTIFICATION STANDARDS**  
20 **BY SECRETARY OF ENERGY FOR CERTIFYING**  
21 **IDLING REDUCTION DEVICES.**

22 Not later than 6 months after the date of the enact-  
23 ment of this Act and in order to reduce air pollution and  
24 fuel consumption, the Secretary of Energy, in consultation  
25 with the Administrator of the Environmental Protection

1 Agency and the Secretary of Transportation, shall publish  
2 the standards under which the Secretary, in consultation  
3 with the Administrator of the Environmental Protection  
4 Agency and the Secretary of Transportation, will, for pur-  
5 poses of section 45O of the Internal Revenue Code of 1986  
6 (as added by section 2 of this Act), certify the idling re-  
7 duction devices which will reduce long-duration idling of  
8 vehicles at motor vehicle rest stops or other locations  
9 where such vehicles are temporarily parked or remain sta-  
10 tionary in order to reduce air pollution and fuel consump-  
11 tion.

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