

111TH CONGRESS  
1ST SESSION

# H. R. 4305

To amend the Internal Revenue Code of 1986 to provide the energy tax credit for transformers designed to use soybean-based electrical transformer fluid.

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## IN THE HOUSE OF REPRESENTATIVES

DECEMBER 14, 2009

Mr. MEEK of Florida introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to provide the energy tax credit for transformers designed to use soybean-based electrical transformer fluid.

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. ENERGY CREDIT FOR TRANSFORMERS DE-**  
4 **SIGNED TO USE SOYBEAN-BASED ELEC-**  
5 **TRICAL TRANSFORMER FLUID.**

6 (a) IN GENERAL.—Subparagraph (A) of section  
7 48(a)(3) of the Internal Revenue Code of 1986 is amended  
8 by striking “or” at the end of clause (vi), by inserting

1 “or” at the end of clause (vii), and by adding at the end  
 2 the following new clause:

3 “(viii) an electrical transformer which  
 4 is designed to use, and contains, soybean-  
 5 based electrical transformer fluid as the in-  
 6 sulating fluid,”.

7 (b) 30 PERCENT CREDIT FOR REPLACEMENT SOY-  
 8 BEAN-BASED ELECTRICAL TRANSFORMER FLUID.—

9 (1) IN GENERAL.—Subsection (a) of section 48  
 10 of such Code is amended by adding at the end the  
 11 following new paragraph:

12 “(6) SOYBEAN-BASED ELECTRICAL TRANS-  
 13 FORMER FLUID.—For purposes of this subpart, the  
 14 term ‘energy property’ includes any soybean-based  
 15 electrical transformer fluid—

16 “(A) used by the taxpayer as an insulating  
 17 fluid in an electrical transformer owned or oper-  
 18 ated by the taxpayer, and

19 “(B) the original use of which commences  
 20 with the taxpayer.”.

21 (2) 30 PERCENT CREDIT.—Clause (i) of section  
 22 48(a)(2)(A) of such Code is amended by striking  
 23 “and” at the end of subclause (III) and by adding  
 24 at the end the following new subclause:

1 “(V) any soybean-based electrical  
2 transformer fluid described in para-  
3 graph (6), and”.

4 (c) SOYBEAN-BASED ELECTRICAL TRANSFORMER  
5 FLUID.—Subsection (c) of section 48 of such Code is  
6 amended by adding at the end the following new para-  
7 graph:

8 “(5) SOYBEAN-BASED ELECTRICAL TRANS-  
9 FORMER FLUID.—The term ‘soybean-based electrical  
10 transformer fluid’ means any insulating fluid formu-  
11 lated for use in electrical transformers which—

12 “(A) is at least 95 percent soybean oil by  
13 volume, and

14 “(B) has received an environmental tech-  
15 nology verification from the Administrator of  
16 the Environmental Protection Agency.”.

17 (d) EFFECTIVE DATE.—The amendments made by  
18 this section shall apply to property placed in service in  
19 taxable years beginning after the date of the enactment  
20 of this Act.

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