

111TH CONGRESS  
1ST SESSION

# H. R. 497

To amend the Internal Revenue Code of 1986 to provide incentives for improving mine safety.

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IN THE HOUSE OF REPRESENTATIVES

JANUARY 14, 2009

Mr. ELLSWORTH (for himself, Mr. RAHALL, and Mr. PAUL) 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 incentives for improving mine safety.

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. ADVANCED MINE SAFETY EQUIPMENT CREDIT**

4 **IN LIEU OF EXPENSING.**

5 (a) IN GENERAL.—Subpart D of part IV of sub-  
6 chapter A of chapter 1 of the Internal Revenue Code of  
7 1986 is amended by adding at the end the following new  
8 section:

1 **“SEC. 45R. ADVANCED MINE SAFETY EQUIPMENT CREDIT.**

2       “(a) IN GENERAL.—For purposes of section 38, the  
3 advanced mine safety equipment credit determined under  
4 this section for the taxable year is an amount equal to  
5 50 percent of the amount paid or incurred by the taxpayer  
6 during the taxable year for qualified advanced mine safety  
7 equipment property.

8       “(b) QUALIFIED ADVANCED MINE SAFETY EQUIP-  
9 MENT PROPERTY.—For purposes of this section, the term  
10 ‘qualified advanced mine safety equipment property’  
11 means any advanced mine safety equipment property for  
12 use in any underground mine located in the United  
13 States—

14               “(1) the original use of which commences with  
15 the taxpayer,

16               “(2) which is property of a character subject to  
17 the allowance for depreciation, and

18               “(3) which is placed in service by the taxpayer  
19 after the date of the enactment of this section.

20       “(c) ADVANCED MINE SAFETY EQUIPMENT PROP-  
21 erty.—For purposes of this section, the term ‘advanced  
22 mine safety equipment property’ means any of the fol-  
23 lowing:

24               “(1) Emergency communication technology or  
25 device which is used to allow a miner to maintain

1 constant communication with an individual who is  
2 not in the mine.

3 “(2) Electronic identification and location de-  
4 vice which allows an individual who is not in the  
5 mine to track at all times the movements and loca-  
6 tion of miners working in or at the mine.

7 “(3) Emergency oxygen-generating, self-rescue  
8 device which provides oxygen for at least 90 min-  
9 utes.

10 “(4) Pre-positioned supplies of oxygen which (in  
11 combination with self-rescue devices) can be used to  
12 provide each miner on a shift, in the event of an ac-  
13 cident or other event which traps the miner in the  
14 mine or otherwise necessitates the use of such a self-  
15 rescue device, the ability to survive for at least 48  
16 hours.

17 “(5) Comprehensive atmospheric monitoring  
18 system which monitors the levels of carbon mon-  
19 oxide, methane, and oxygen that are present in all  
20 areas of the mine and which can detect smoke in the  
21 case of a fire in a mine.

22 “(d) BASIS ADJUSTMENT.—For purposes of this sub-  
23 title, if a credit is determined under this section in connec-  
24 tion with any expenditure for any property, the increase  
25 in the basis of such property which would (but for this

1 subsection) result from such expenditure shall be reduced  
2 by the amount of the credit so determined.

3 “(e) REPORTING.—No credit shall be determined  
4 under subsection (a) with respect to any taxpayer for any  
5 taxable year unless such taxpayer files with the Secretary  
6 a report containing such information with respect to the  
7 operation of the mines of the taxpayer as the Secretary  
8 shall require.”.

9 (b) DENIAL OF DOUBLE BENEFIT.—Section 280C of  
10 such Code is amended by adding at the end the following  
11 new subsection:

12 “(g) ADVANCED MINE SAFETY EQUIPMENT CRED-  
13 IT.—No deduction shall be allowed for that portion of the  
14 expenses otherwise allowable as a deduction for the taxable  
15 year which is equal to the amount of the credit determined  
16 for the taxable year under section 45R(a).”.

17 (c) ALLOWANCE OF CREDIT AGAINST ALTERNATIVE  
18 MINIMUM TAX.—Subparagraph (B) of section 38(c)(4) of  
19 such Code is amended by redesignating clauses (vi)  
20 through (viii) as clauses (vii) through (ix), respectively,  
21 and by inserting after clause (v) the following new clause:

22 “(vi) the credit determined under sec-  
23 tion 45R.”.

24 (d) REPEAL OF ELECTION TO EXPENSE ADVANCED  
25 MINE SAFETY EQUIPMENT.—

1           (1) Part VI of subchapter B of chapter 1 of  
2 such Code is amended—

3                   (A) by striking section 179E, and

4                   (B) by striking the item relating to such  
5 section in the table of sections of such part.

6           (2) Section 263(a)(1) of such Code is amended  
7 by striking subparagraph (L), by striking “, or” at  
8 the end of subparagraph (K) and inserting a period,  
9 and by inserting “or” at the end of subparagraph  
10 (J).

11           (3) Section 312(k)(3)(B) of such Code is  
12 amended by striking “179D, or 179E” each place it  
13 appears in the heading and text thereof and insert-  
14 ing “or 179D”.

15           (4) Paragraphs (2)(C) and (3)(C) of section  
16 1245(a) of such Code are each amended by striking  
17 “179E,”.

18           (e) CONFORMING AMENDMENTS.—

19           (1) Section 38(b) of such Code is amended by  
20 striking “plus” at the end of paragraph (34), by  
21 striking the period at the end of paragraph (35) and  
22 inserting “, plus”, and by adding at the end the fol-  
23 lowing:

24                   “(36) the advanced mine safety equipment  
25 credit determined under section 45R(a).”.

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

“Sec. 45R. Advanced mine safety equipment credit.”.

5           (f) EFFECTIVE DATE.—The amendments made by  
6           this section shall apply to property placed in service after  
7           the date of the enactment of this Act.

8           **SEC. 2. MINE RESCUE TEAM TRAINING CREDIT INCREASED,**  
9                           **ALLOWED AGAINST AMT, AND MADE PERMA-**  
10                          **NENT.**

11           (a) INCREASED CREDIT AMOUNT.—Subsection (a) of  
12           section 45N of the Internal Revenue Code of 1986 is  
13           amended—

14                   (1) by striking “20 percent” in paragraph (1)  
15                   and inserting “40 percent”, and

16                   (2) by striking “\$10,000” in paragraph (2) and  
17                   inserting “\$20,000”.

18           (b) ALLOWANCE OF CREDIT AGAINST ALTERNATIVE  
19           MINIMUM TAX.—Subparagraph (B) of section 38(c)(4) of  
20           such Code, as amended by this Act, is amended by redesi-  
21           gnating clauses (vi) through (ix) as clauses (vii) through  
22           (x), respectively, and by inserting after clause (v) the fol-  
23           lowing new clause:

24                           “(vi) the credit determined under sec-  
25                           tion 45N,”.

1           (c) REPEAL OF TERMINATION.—Section 45N of such  
2 Code is amended by striking subsection (e).

3           (d) EFFECTIVE DATE.—

4               (1) IN GENERAL.—Except as provided in para-  
5 graph (2), the amendments made by this section  
6 shall apply to taxable years beginning after the date  
7 of the enactment of this Act.

8               (2) ALLOWANCE OF CREDIT AGAINST ALTER-  
9 NATIVE MINIMUM TAX.—The amendments made by  
10 subsection (b) shall apply to credits determined  
11 under section 45N of the Internal Revenue Code of  
12 1986 in taxable years beginning after the date of the  
13 enactment of this Act, and to carrybacks of such  
14 credits.

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