

111TH CONGRESS
2D SESSION

H. R. 5952

To amend the Internal Revenue Code of 1986 to allow a credit for installation of composite, recyclable power line poles.

IN THE HOUSE OF REPRESENTATIVES

JULY 29, 2010

Mr. DAVIS of Illinois 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 allow a credit for installation of composite, recyclable power line poles.

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 MANUFACTURING CREDIT FOR**
4 **PROPERTY WHICH PRODUCES COMPOSITE,**
5 **RECYCLABLE POWER LINE POLES.**

6 (a) IN GENERAL.—Clause (i) of section 48C(c)(1)(A)
7 of the Internal Revenue Code of 1986 is amended by strik-
8 ing “or” at the end of subclause (VI), by redesignating
9 subclause (VII) as subclause (VIII), and by inserting after
10 subclause (VI) the following new subclause:

1 “(VII) utility poles or supports
 2 made from composite materials which
 3 are comprised of at least 15 percent
 4 recycled materials and are fully recy-
 5 clable,”.

6 (b) EFFECTIVE DATE.—The amendments made by
 7 this section shall apply to periods after the date of the
 8 enactment of this Act, under rules similar to the rules of
 9 section 48(m) of the Internal Revenue Code of 1986 (as
 10 in effect on the day before the date of the enactment of
 11 the Revenue Reconciliation Act of 1990).

12 **SEC. 2. BUSINESS CREDIT FOR COMPOSITE, RECYCLABLE**
 13 **POWER LINE POLES.**

14 (a) IN GENERAL.—Subpart D of part IV of sub-
 15 chapter A of chapter 1 of the Internal Revenue Code of
 16 1986 (relating to business related credits) is amended by
 17 adding at the end the following new section:

18 **“SEC. 45R. ELECTRICITY TRANSMISSION COMPOSITE POLE**
 19 **PROPERTY.**

20 “(a) IN GENERAL.—For purposes of section 38, the
 21 amount of the electricity transmission composite pole
 22 property credit determined under this section for any tax-
 23 able year is an amount equal to 30 percent of the basis
 24 of the qualified composite poles placed in service during
 25 the taxable year.

1 “(b) QUALIFIED COMPOSITE POLE.—For purposes of
2 this section—

3 “(1) IN GENERAL.—The term ‘qualified com-
4 posite pole’ means any pole—

5 “(A) which is placed in service after De-
6 cember 31, 2010, and before January 1, 2016,

7 “(B) which is used to support one or more
8 wires for use in connection with the trans-
9 mission or distribution of electricity,

10 “(C) which is comprised of not more than
11 85 percent virgin materials, and

12 “(D) not less than 90 percent of which can
13 be recycled (within the meaning of section
14 168(m)(3)(C)) at the end of its useful life.

15 “(2) EXCEPTIONS.—Such term shall not in-
16 clude any property that is conductive or that con-
17 tains arsenic, arsenicals, creosote, pentachlorophenol,
18 copper napthenate.

19 “(c) DENIAL OF DOUBLE BENEFIT.—For purposes
20 of this subtitle, if a credit is determined under subsection
21 (a) with respect to any property, the basis of such property
22 shall be reduced by the amount of the credit so deter-
23 mined.”.

24 (b) CLERICAL AMENDMENT.—The table of sections
25 for subpart D of part IV of subchapter A of chapter 1

1 of such Code is amended by adding at the end the fol-
2 lowing new item:

“Sec. 45R. Electricity transmission composite pole property.”.

3 (c) CREDIT MADE PART OF GENERAL BUSINESS
4 CREDIT.—Subsection (b) of section 38 of such Code is
5 amended by striking “plus” at the end of paragraph (34),
6 by striking the period at the end of paragraph (35) and
7 inserting “, plus”, and by adding at th end the following
8 new paragraph:

9 “(36) the electricity transmission composite
10 pole property credit determined under section
11 45R(a).”.

12 (d) EFFECTIVE DATE.—The amendments made by
13 this section shall apply to property placed in service after
14 the date of the enactment of this Act.

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