II

114TH CONGRESS
2D SESSION

S. 3139

To amend the Internal Revenue Code of 1986 to allow the energy credit for certain high-efficiency linear generator property.

IN THE SENATE OF THE UNITED STATES

JULY 7, 2016

Mr. BROWN (for himself and Mrs. FEINSTEIN) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to allow the energy credit for certain high-efficiency linear generator property.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Energy Tax Fairness Act of 2016''.

SEC. 2. ENERGY CREDIT ALLOWED FOR QUALIFIED HIGH-EFFICIENCY LINEAR GENERATOR PROPERTY.

(a) IN GENERAL.—Subparagraph (A) of section 48(a)(3) of the Internal Revenue Code of 1986 is amended by striking ''or'' at the end of clause (vi), by adding ''or'' at the end of clause (vii), and by adding at the end the following new clause:

"(viii) qualified high-efficiency linear generator property,".

(b) APPLICATION OF 30-PERCENT CREDIT.—Clause (i) of section 48(a)(2)(A) of the Internal Revenue Code of 1986 is amended by striking "and" at the end of subclause (III) and by adding at the end the following new subclause:

"(V) qualified high-efficiency linear generator property, and".

(c) QUALIFIED HIGH-EFFICIENCY LINEAR GENERATOR PROPERTY.—Subsection (c) of section 48 of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

"(5) QUALIFIED HIGH-EFFICIENCY LINEAR GENERATOR PROPERTY.—

"(A) IN GENERAL.—The term 'qualified high-efficiency linear generator property' means a stationary linear generator power plant which has—

"(i) a nameplate capacity of less than 2,000 kilowatts, and

"(ii) an electricity-only generation efficiency of greater than 30 percent.

"(B) LIMITATIONS.—In the case of qualified high-efficiency linear generator property placed in service during the taxable year, the credit otherwise determined under subsection (a) for such year with respect to such property shall not exceed an amount equal to $1,500 for each 0.5 kilowatt of capacity of such property.

"(C) STATIONARY LINEAR GENERATOR POWER PLANT.—The term 'stationary linear generator power plant' means an integrated system consisting of translators, cylinders, electricity-generating equipment, and associated balance of plant components which converts a fuel or waste heat into electricity for stationary applications. Such term includes all secondary components located between the infrastructure for fuel delivery in place before the property taken into account under subparagraph (A) was placed in service and the infrastructure for power distribution so in place, including equipment and controls for meeting relevant power standards, such as voltage, frequency, and power factors.

"(6) TERMINATION.—The term 'qualified high-efficiency linear generator property' shall not include any stationary linear generator power plant the construction of which does not begin before January 1, 2022.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to periods after December 31, 2016, under rules similar to the rules of section 48(m) of the Internal Revenue Code of 1986 (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990).

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