

114TH CONGRESS
1ST SESSION

S. 948

To amend the Internal Revenue Code of 1986 to eliminate the taxable income limit on percentage depletion for oil and natural gas produced from marginal properties.

IN THE SENATE OF THE UNITED STATES

APRIL 15, 2015

Mr. INHOFE 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 eliminate the taxable income limit on percentage depletion for oil and natural gas produced from marginal properties.

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. ELIMINATION OF TAXABLE INCOME LIMIT ON**
4 **PERCENTAGE DEPLETION FOR OIL AND NAT-**
5 **URAL GAS PRODUCED FROM MARGINAL**
6 **PROPERTIES.**

7 (a) IN GENERAL.—Subparagraph (H) of section
8 613A(c)(6) of the Internal Revenue Code of 1986 is
9 amended to read as follows:

1 “(H) NONAPPLICATION OF TAXABLE IN-
2 COME LIMIT WITH RESPECT TO MARGINAL PRO-
3 DUCTION.—The second sentence of subsection
4 (a) of section 613 shall not apply to so much
5 of the allowance for depletion as is determined
6 under subparagraph (A).”.

7 (b) EFFECTIVE DATE.—The amendment made by
8 this section shall apply to taxable years beginning after
9 December 31, 2014.

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