

116TH CONGRESS
1ST SESSION

H. R. 4088

To amend the Internal Revenue Code of 1986 to provide for the use of funds in the Hazardous Substance Superfund for the purposes for which they were collected, to ensure adequate resources for the cleanup of hazardous substances under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 26, 2019

Mr. BLUMENAUER (for himself, Mr. CONNOLLY, Mr. MCNERNEY, Ms. SEWELL of Alabama, Ms. NORTON, Mr. GRIJALVA, and Mr. CARTWRIGHT) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committees on Transportation and Infrastructure, Energy and Commerce, and the Budget, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Internal Revenue Code of 1986 to provide for the use of funds in the Hazardous Substance Superfund for the purposes for which they were collected, to ensure adequate resources for the cleanup of hazardous substances under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Superfund Reinvest-
3 ment Act”.

4 **SEC. 2. USE OF HAZARDOUS SUBSTANCE SUPERFUND FOR**
5 **CLEANUP.**

6 (a) AVAILABILITY OF AMOUNTS.—Section 111 of the
7 Comprehensive Environmental Response, Compensation,
8 and Liability Act of 1980 (42 U.S.C. 9611) is amended—

9 (1) in subsection (a) by striking “For the pur-
10 poses specified” and all that follows through “for
11 the following purposes:” and inserting the following:
12 “The amount in the Hazardous Substance Super-
13 fund established under section 9507 of the Internal
14 Revenue Code of 1986 shall be available, without
15 further appropriation, to be used for the purposes
16 specified in this section. The President shall use
17 such amount for the following purposes:”; and

18 (2) in subsection (c)—

19 (A) by striking “Subject to such amounts
20 as are provided in appropriations Acts, the”
21 each place it appears and inserting “The”; and

22 (B) in paragraph (12) by striking “to the
23 extent that such costs” and all that follows
24 through “and 1994”.

1 (b) AMENDMENT TO THE INTERNAL REVENUE
2 CODE.—Section 9507 of the Internal Revenue Code of
3 1986 is amended—

4 (1) by striking “appropriated to” in subsection
5 (a)(1) and inserting “made available for”;

6 (2) by striking “appropriated” in subsection (b)
7 and inserting “transferred”;

8 (3) by striking “, as provided in appropriations
9 Acts,” in subsection (c)(1); and

10 (4) by striking “December 31, 1995” in sub-
11 section (d)(3)(B) and inserting “December 31,
12 2028”.

13 **SEC. 3. BUDGETARY TREATMENT OF HAZARDOUS SUB-**
14 **STANCE SUPERFUND.**

15 Notwithstanding any other provision of law, the re-
16 ceipts and disbursements of the Hazardous Substance
17 Superfund established in section 9507 of the Internal Rev-
18 enue Code of 1986—

19 (1) shall not be counted as new budget author-
20 ity, outlays, receipts, or deficit or surplus for pur-
21 poses of—

22 (A) the budget of the United States Gov-
23 ernment as submitted by the President;

1 (B) the congressional budget (including al-
 2 locations of budget authority and outlays pro-
 3 vided therein);

4 (C) the Balanced Budget and Emergency
 5 Deficit Control Act of 1985; or

6 (D) the Statutory Pay-As-You-Go Act of
 7 2010;

8 (2) shall be exempt from any general budget
 9 limitation imposed by statute on expenditures and
 10 net lending (budget outlays) of the United States
 11 Government; and

12 (3) shall be available only for the purposes
 13 specified in section 111 of the Comprehensive Envi-
 14 ronmental Response, Compensation, and Liability
 15 Act of 1980 (42 U.S.C. 9611).

16 **SEC. 4. MODIFICATION OF SUPERFUND TAXES.**

17 (a) HAZARDOUS SUBSTANCE SUPERFUND FINANC-
 18 ING RATE.—

19 (1) EXTENSION.—Subsection (e) of section
 20 4611 of the Internal Revenue Code of 1986 is
 21 amended to read as follows:

22 “(e) APPLICATION OF HAZARDOUS SUBSTANCE
 23 SUPERFUND FINANCING RATE.—The Hazardous Sub-
 24 stance Superfund financing rate under this section shall
 25 apply after December 31, 1986, and before January 1,

1 1996, and after the date of the enactment of the Super-
 2 fund Reinvestment Act and before January 1, 2029.”.

3 (2) ADJUSTMENT FOR INFLATION.—

4 (A) Section 4611(c)(2)(A) of such Code is
 5 amended by striking “9.7 cents” and inserting
 6 “16.3 cents”.

7 (B) Section 4611(c) of such Code is
 8 amended by adding at the end the following:

9 “(3) ADJUSTMENT FOR INFLATION.—

10 “(A) IN GENERAL.—In the case of a year
 11 beginning after 2020, the amount in paragraph
 12 (2)(A) shall be increased by an amount equal
 13 to—

14 “(i) such amount, multiplied by

15 “(ii) the cost-of-living adjustment de-
 16 termined under section 1(f)(3) for the cal-
 17 endar year, determined by substituting
 18 ‘calendar year 2019’ for ‘calendar year
 19 2016’ in subparagraph (A)(ii) thereof.

20 “(B) ROUNDING.—If any amount as ad-
 21 justed under subparagraph (A) is not a multiple
 22 of \$0.01, such amount shall be rounded to the
 23 next lowest multiple of \$0.01.”.

(b) ADJUSTMENT OF EXCISE TAX ON CERTAIN
 CHEMICALS FOR INFLATION.—Section 4661(b) of such
 Code is amended to read as follows:

“(b) AMOUNT OF TAX.—

“(1) IN GENERAL.—The amount of the tax im-
 posed by subsection (a) shall be determined in ac-
 cordance with the following table:

“In the case of:	The tax is the following amount per ton:
Acetylene	\$11.35
Benzene	11.35
Butane	11.35
Butylene	11.35
Butadiene	11.35
Ethylene	11.35
Methane	8.02
Naphthalene	11.35
Propylene	11.35
Toluene	11.35
Xylene	11.35
Ammonia	6.15
Antimony	10.37
Antimony trioxide	8.74
Arsenic	10.37
Arsenic trioxide	7.95
Barium sulfide	5.36
Bromine	10.37
Cadmium	10.37
Chlorine	6.29
Chromium	10.37
Chromite	3.54
Potassium dichromate	3.94
Sodium dichromate	4.36
Cobalt	10.37
Cupric sulfate	4.36
Cupric oxide	8.37
Cuprous oxide	9.25
Hydrochloric acid	0.68
Hydrogen fluoride	9.86
Lead oxide	9.65
Mercury	10.37
Nickel	10.37
Phosphorus	10.37
Stannous chloride	6.64
Stannic chloride	4.94
Zinc chloride	5.17

“In the case of:	The tax is the following amount per ton:
Zinc sulfate	4.43
Potassium hydroxide	0.51
Sodium hydroxide	0.65
Sulfuric acid	0.61
Nitric acid	0.56.

1 “(2) ADJUSTMENT FOR INFLATION.—

2 “(A) IN GENERAL.—In the case of a cal-
3 endar year beginning after 2020, each of the
4 amounts in the table in paragraph (1) shall be
5 increased by an amount equal to—

6 “(i) such amount, multiplied by

7 “(ii) the cost-of-living adjustment de-
8 termined under section 1(f)(3) for the cal-
9 endar year, determined by substituting
10 ‘calendar year 2019’ for ‘calendar year
11 2016’ in subparagraph (A)(ii) thereof.

12 “(B) ROUNDING.—If any amount as ad-
13 justed under subparagraph (A) is not a multiple
14 of \$0.01, such amount shall be rounded to the
15 next lowest multiple of \$0.01.”.

16 (c) CORPORATE ENVIRONMENTAL INCOME TAX RE-
17 INSTATED.—

18 (1) IN GENERAL.—Subchapter A of chapter 1
19 of such Code is amended by inserting after part VII
20 the following:

1 **“PART VIII—ENVIRONMENTAL TAX**

“Sec. 59B. Environmental tax.

2 **“SEC. 59B. ENVIRONMENTAL TAX.**

3 “(a) IMPOSITION OF TAX.—In the case of a corpora-
4 tion, there is hereby imposed (in addition to any other tax
5 imposed by this subtitle) a tax equal to 0.12 percent of
6 the excess of—

7 “(1) the modified environmental tax taxable in-
8 come of such corporation for the taxable year, over

9 “(2) \$3,735,000.

10 “(b) MODIFIED ENVIRONMENTAL TAX TAXABLE IN-
11 COME.—For purposes of this section, the term ‘modified
12 environmental tax taxable income’ means taxable income
13 determined without regard to—

14 “(1) the net operating loss deduction allowable
15 under section 172, and

16 “(2) the deduction allowed under section
17 164(a)(5).

18 “(c) EXCEPTION FOR RICS AND REITS.—The tax
19 imposed by subsection (a) shall not apply to—

20 “(1) a regulated investment company to which
21 part I of subchapter M applies, and

22 “(2) a real estate investment trust to which
23 part II of subchapter M applies.

24 “(d) SPECIAL RULES.—

1 “(1) SHORT TAXABLE YEARS.—The application
 2 of this section to taxable years of less than 12
 3 months shall be in accordance with regulations pre-
 4 scribed by the Secretary.

5 “(2) SECTION 15 NOT TO APPLY.—Section 15
 6 shall not apply to the tax imposed by this section.

7 “(e) ADJUSTMENT FOR INFLATION.—

8 “(1) IN GENERAL.—In the case of a taxable
 9 year beginning after 2020, the dollar amount in sub-
 10 section (a)(2) shall be increased by an amount equal
 11 to—

12 “(A) such amount, multiplied by

13 “(B) the cost-of-living adjustment deter-
 14 mined under section 1(f)(3) for the calendar
 15 year in which the taxable year begins, deter-
 16 mined by substituting ‘calendar year 2019’ for
 17 ‘calendar year 2016’ in subparagraph (A)(ii)
 18 thereof.

19 “(2) ROUNDING.—If any amount as adjusted
 20 under subparagraph (A) is not a multiple of \$1,000,
 21 such amount shall be rounded to the next lowest
 22 multiple of \$1,000.

23 “(f) APPLICATION OF TAX.—The tax imposed by this
 24 section shall apply to taxable years ending after the date

1 of the enactment of the Superfund Reinvestment Act and
2 beginning before January 1, 2029.”.

3 (2) CONFORMING AMENDMENTS.—

4 (A) Paragraph (2) of section 26(b) of such
5 Code is amended by striking “and” at the end
6 of subparagraph (X), by striking the period at
7 the end of subparagraph (Y) and inserting “,
8 and”, and by adding at the end the following
9 new subparagraph:

10 “(Z) section 59B (relating to environ-
11 mental tax).”.

12 (B) Subsection (a) of section 164 of such
13 Code is amended by inserting after paragraph
14 (4) the following:

15 “(5) The environmental tax imposed by section
16 59B.”.

17 (C) Section 275(a) of such Code is amend-
18 ed by inserting at the end the following flush
19 sentence: “Paragraph (1) shall not apply to the
20 tax imposed by section 59B.”.

21 (D) Section 882(a)(1) of such Code is
22 amended by striking “or 59A” and inserting “,
23 59A, or 59B”.

24 (E) Section 1561(a) of such Code is
25 amended by inserting “and one dollar amount

1 in effect under section 59B(a)(2) for the tax-
 2 able year for purposes of computing the tax im-
 3 posed by section 59B” after “under section
 4 535(c)(2) and (3)”.

5 (F) Section 6425(c)(1)(A) of such Code is
 6 amended by striking “plus” at end of clause (i),
 7 by striking “over” at the end of clause (ii) and
 8 inserting “plus”, and by inserting after clause
 9 (ii) the following:

10 “(iii) the tax imposed by section 59B,
 11 over”.

12 (G) Section 6655 of such Code is amend-
 13 ed—

14 (i) in subsections (e)(2)(A)(i) and
 15 (e)(2)(B)(i), by striking “taxable income
 16 and modified taxable income” and insert-
 17 ing “taxable income, modified taxable in-
 18 come, and modified environmental tax tax-
 19 able income”;

20 (ii) in subsection (e)(2)(B), by insert-
 21 ing after clause (ii) the following:

22 “(iii) MODIFIED ENVIRONMENTAL
 23 TAX TAXABLE INCOME.—The term ‘modi-
 24 fied environmental tax taxable income’ has

1 the meaning given to such term by section
 2 59B(b).”; and

3 (iii) in subsection (g)(1)(A), by strik-
 4 ing “plus” at the end of clause (ii), by re-
 5 designating clause (iii) as clause (iv) and
 6 by inserting after clause (ii) the following:

7 “(iii) the tax imposed by section 59B,
 8 plus”.

9 (H) Section 9507(b)(1) of such Code is
 10 amended by inserting “59B,” before “4611”.

11 (3) CLERICAL AMENDMENT.—The table of
 12 parts for subchapter A of chapter 1 of such Code is
 13 amended by inserting after the item relating to part
 14 VII the following new item:

“PART VIII. ENVIRONMENTAL TAX”.

15 (d) CLARIFICATION OF TAR SANDS AS CRUDE OIL
 16 FOR EXCISE TAX PURPOSES.—

17 (1) IN GENERAL.—Section 4612(a)(1) of such
 18 Code is amended to read as follows:

19 “(1) CRUDE OIL.—The term ‘crude oil’ includes
 20 crude oil condensates, natural gasoline, any bitumen
 21 or bituminous mixture, any oil derived from a bitu-
 22 men or bituminous mixture (including oil derived
 23 from tar sands), and any oil derived from kerogen-
 24 bearing sources (including oil derived from oil
 25 shale).”.

1 (2) TECHNICAL AMENDMENT.—Section
2 4612(a)(2) of such Code is amended by striking
3 “from a well located”.

4 (e) TECHNICAL AMENDMENTS.—

5 (1) Subsection (b) of section 4611 of such Code
6 is amended—

7 (A) by striking “or exported from” in
8 paragraph (1)(A);

9 (B) by striking “or exportation” in para-
10 graph (1)(B); and

11 (C) by striking “AND EXPORTATION” in
12 the heading thereof.

13 (2) Paragraph (3) of section 4611(d) of such
14 Code is amended—

15 (A) by striking “or exporting the crude oil,
16 as the case may be” and inserting “the crude
17 oil”; and

18 (B) by striking “OR EXPORTS” in the
19 heading thereof.

20 (f) EFFECTIVE DATE.—

21 (1) IN GENERAL.—Except as provided in para-
22 graph (2), the amendments made by this section
23 shall apply to oil and petroleum products received or
24 entered during calendar quarters beginning after
25 December 31, 2019.

1 (2) CORPORATE ENVIRONMENTAL INCOME
2 TAX.—The amendment made by section 4(c) shall
3 apply to taxable years beginning after December 31,
4 2019.

5 **SEC. 5. APPLICABILITY.**

6 Except as provided in section 4(f), this Act (including
7 the amendments made by this Act) shall apply to fiscal
8 years beginning after September 30, 2019.

○