

116TH CONGRESS  
2D SESSION

# H. R. 8858

To amend the Internal Revenue Code of 1986 to extend and allow an elective payment of the tax credit for carbon oxide sequestration.

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## IN THE HOUSE OF REPRESENTATIVES

DECEMBER 3, 2020

Mr. MCKINLEY (for himself, Mr. VEASEY, Mr. ARMSTRONG, Mrs. BUSTOS, Mr. MOONEY of West Virginia, Mr. MICHAEL F. DOYLE of Pennsylvania, Mrs. FLETCHER, and Mr. BERGMAN) 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 extend and allow an elective payment of the tax credit for carbon oxide sequestration.

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. SHORT TITLE.**

4       This Act may be cited as the “Accelerating Carbon  
5       Capture and Extending Secure Storage through 45Q Act”  
6       or as the “ACCESS 45Q Act”.

1 **SEC. 2. EXTENSION OF CREDIT FOR CARBON OXIDE SE-**  
2 **QUESTRATION.**

3 (a) IN GENERAL.—Section 45Q(d)(1) of the Internal  
4 Revenue Code of 1986 is amended by striking “January  
5 1, 2024” and inserting “January 1, 2034”.

6 (b) EFFECTIVE DATE.—The amendment made by  
7 this section applies to facilities the construction of which  
8 begins after December 31, 2023.

9 **SEC. 3. ELECTIVE PAYMENT FOR CARBON OXIDE SEQUES-**  
10 **TRATION.**

11 (a) IN GENERAL.—Subchapter B of chapter 65 of the  
12 Internal Revenue Code of 1986 is amended by adding at  
13 the end the following new section:

14 **“SEC. 6431. ELECTIVE PAYMENT FOR CARBON OXIDE SE-**  
15 **QUESTRATION.**

16 “(a) ENERGY PROPERTY.—In the case of a taxpayer  
17 making an election (at such time and in such manner as  
18 the Secretary may provide) under this section with respect  
19 to any portion of a carbon oxide sequestration credit which  
20 would (without regard to this section) be determined  
21 under section 45Q with respect to such taxpayer, such tax-  
22 payer shall be treated as making a payment against the  
23 tax imposed by subtitle A for the taxable year equal to  
24 the amount of such portion.

25 “(b) TIMING.—The payment described in subsection  
26 (a) shall be treated as made on the later of the due date

1 of the return of tax for such taxable year or the date on  
2 which such return is filed.

3 “(c) EXCLUSION FROM GROSS INCOME.—Gross in-  
4 come of the taxpayer shall be determined without regard  
5 to this section.

6 “(d) DENIAL OF DOUBLE BENEFIT.—Solely for pur-  
7 poses of section 38, in the case of a taxpayer making an  
8 election under this section, the carbon oxide sequestration  
9 credit determined under section 45Q shall be reduced by  
10 the amount of the portion of such credit with respect to  
11 which the taxpayer makes such election.

12 “(e) SPECIAL RULES.—

13 “(1) In the case of a taxpayer making an elec-  
14 tion under this subsection, the credit subject to such  
15 an election shall be determined notwithstanding—

16 “(A) section 50(b)(3); and

17 “(B) section 50(b)(4) for an entity de-  
18 scribed in 50(b)(4)(A)(i).

19 “(2) In the case of a mutual or cooperative  
20 electric company described in this paragraph or an  
21 organization described in section 1381(a)(2), any in-  
22 come received or accrued in connection with the  
23 credit under this section shall be treated as an  
24 amount collected from members for the sole purpose  
25 of meeting losses and expenses.”.

1       (b) CLERICAL AMENDMENT.—The table of sections  
2 for subchapter B of chapter 65 of such Code is amended  
3 by adding at the end the following new item:

“Sec. 6431. Elective payment for carbon oxide sequestration.”.

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

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