

117TH CONGRESS
1ST SESSION

H. R. 2703

To amend the Internal Revenue Code of 1986 to extend the financing of the Superfund.

IN THE HOUSE OF REPRESENTATIVES

APRIL 20, 2021

Mr. PALLONE (for himself, Mr. BLUMENAUER, Mr. PASCRELL, and Mr. MCEACHIN) 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 extend the financing of the Superfund.

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 “Superfund Polluter
5 Pays Act”.

6 **SEC. 2. EXTENSION OF SUPERFUND TAXES.**

7 (a) HAZARDOUS SUBSTANCE SUPERFUND FINANC-
8 ING RATE.—

1 (1) IN GENERAL.—Section 4611(e) of the Inter-
2 nal Revenue Code of 1986 is amended to read as fol-
3 lows:

4 “(e) APPLICATION OF HAZARDOUS SUBSTANCE
5 SUPERFUND FINANCING RATE.—The Hazardous Sub-
6 stance Superfund financing rate under this section shall
7 apply after December 31, 1986, and before January 1,
8 1996, and after the date of the enactment of this sub-
9 section and before January 1, 2026.”.

10 (2) RATE OF TAX ADJUSTED FOR INFLATION.—

11 (A) IN GENERAL.—Section 4611(c)(2)(A)
12 of such Code is amended by striking “9.7
13 cents” and inserting “16.3 cents”.

14 (B) CONTINUED ADJUSTMENT FOR INFLA-
15 TION.—Section 4611(c) of such Code is amend-
16 ed by adding at the end the following new para-
17 graph:

18 “(3) INFLATION ADJUSTMENT.—

19 “(A) IN GENERAL.—In the case of a cal-
20 endar year beginning after 2021, the 16.3 cents
21 amount in paragraph (2)(A) shall be increased
22 by an amount equal to—

23 “(i) such dollar amount, multiplied by

24 “(ii) the cost-of-living adjustment de-
25 termined under section 1(f)(3) for such

1 calendar year, determined by substituting
2 ‘calendar year 2020’ for ‘calendar year
3 2016’ in subparagraph (A)(ii) thereof.

4 “(B) ROUNDING.—If any amount as ad-
5 justed under subparagraph (A) is not a multiple
6 of 0.1 cents, such amount shall be rounded to
7 the nearest multiple of 0.1 cents.”.

8 (3) TECHNICAL AMENDMENTS.—

9 (A) Section 4611(b) of such Code is
10 amended—

11 (i) by striking “or exported from” in
12 paragraph (1)(A),

13 (ii) by striking “or exportation” in
14 paragraph (1)(B), and

15 (iii) by striking “AND EXPORTATION”
16 in the heading.

17 (B) Section 4611(d)(3) of such Code is
18 amended—

19 (i) by striking “or exporting the crude
20 oil, as the case may be” in the text and in-
21 serting “the crude oil”, and

22 (ii) by striking “OR EXPORTS” in the
23 heading.

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

4 “(b) AMOUNT OF TAX.—

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

“In the case of:	The tax is the following amount per ton:
Acetylene	\$14.30
Benzene	14.30
Butane	14.30
Butylene	14.30
Butadiene	14.30
Ethylene	14.30
Methane	10.10
Naphthalene	14.30
Propylene	14.30
Toluene	14.30
Xylene	14.30
Ammonia	7.75
Antimony	13.06
Antimony trioxide	11.01
Arsenic	13.06
Arsenic trioxide	10.01
Barium sulfide	6.75
Bromine	13.06
Cadmium	13.06
Chlorine	7.93
Chromium	13.06
Chromite	4.46
Potassium dichromate	4.96
Sodium dichromate	5.49
Cobalt	13.06
Cupric sulfate	5.49
Cupric oxide	10.54
Cuprous oxide	11.66
Hydrochloric acid	0.85
Hydrogen fluoride	12.42
Lead oxide	12.15
Mereury	13.06
Nickel	13.06
Phosphorus	13.06
Stannous chloride	8.37
Stannic chloride	6.22
Zinc chloride	6.52

“In the case of:	The tax is the following amount per ton:
Zinc sulfate	5.58
Potassium hydroxide	0.65
Sodium hydroxide	0.82
Sulfuric acid	0.76
Nitric acid	0.70.

1 “(2) ADJUSTMENT FOR INFLATION.—

2 “(A) IN GENERAL.—In the case of a cal-
3 endar year beginning after 2021, 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 2020’ 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.—

17 (1) Subchapter A of chapter 1 of the Internal
18 Revenue Code of 1986 is amended by adding at the
19 end the following new part:

20 **“PART VIII—ENVIRONMENTAL TAX**

“Sec. 59B. Environmental Tax.

1 **“SEC. 59B. ENVIRONMENTAL TAX.**

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

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

8 “(2) \$3,130,000.

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

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

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

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

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

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

23 “(d) SPECIAL RULES.—

24 “(1) SHORT TAXABLE YEARS.—The application
25 of this section to taxable years of less than 12

1 months shall be in accordance with regulations pre-
2 scribed by the Secretary.

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

5 “(e) INFLATION ADJUSTMENT.—

6 “(1) IN GENERAL.—In the case of a taxable
7 year beginning after 2021, the \$3,130,000 amount
8 in subsection (a)(2) shall be increased by an amount
9 equal to—

10 “(A) such dollar amount, multiplied by

11 “(B) the cost-of-living adjustment deter-
12 mined under section 1(f)(3) for the calendar
13 year in which the taxable year begins, deter-
14 mined by substituting ‘calendar year 2020’ for
15 ‘calendar year 2016’ in subparagraph (A)(ii)
16 thereof.

17 “(2) ROUNDING.—If any amount as adjusted
18 under paragraph (1) is not a multiple of \$10,000,
19 such amount shall be rounded to the nearest mul-
20 tiple of \$10,000.

21 “(f) APPLICATION OF TAX.—The tax imposed by this
22 section shall apply to taxable years beginning after the
23 date of the enactment of this subsection and before Janu-
24 ary 1, 2027.”.

25 (2) CONFORMING AMENDMENTS.—

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

7 “(Z) section 59B (relating to environ-
8 mental tax).”.

9 (B) Section 164(a) of such Code is amend-
10 ed by adding at the end the following:

11 “(5) The environmental tax imposed by section
12 59B.”.

13 (C) Section 275(a) of such Code is amend-
14 ed by adding at the end the following: “Para-
15 graph (1) shall not apply to the tax imposed by
16 section 59B.”.

17 (D) Section 882(a)(1) of such Code is
18 amended by striking “or 59A” and inserting “,
19 59A, or 59B”.

20 (E) Section 1561(a) of such Code is
21 amended by inserting “and one dollar amount
22 in effect under section 59B(a)(2) for purposes
23 of computing the tax imposed by section 59B”
24 after “under section 535(c)(2) and (3)”.

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

6 “(iii) the tax imposed by section 59B,
7 over”.

8 (G) Section 6655 of such Code is amend-
9 ed—

10 (i) in subsections (e)(2)(A)(i) and
11 (e)(2)(B)(i), by striking “taxable income
12 and modified taxable income” and insert-
13 ing “taxable income, modified taxable in-
14 come, and modified environmental tax tax-
15 able income”,

16 (ii) in subsection (e)(2)(B), by adding
17 at the end the following new clause:

18 “(iii) MODIFIED ENVIRONMENTAL
19 TAX TAXABLE INCOME.—The term ‘modi-
20 fied environmental tax taxable income’ has
21 the meaning given to such term in section
22 59B(b).”, and

23 (iii) in subsection (g)(1)(A), by strik-
24 ing “plus” at the end of clause (ii), by re-

1 designating clause (iii) as clause (iv), and
2 by inserting after clause (ii) the following:

3 “(iii) the tax imposed by section 59B,
4 plus”.

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

7 (I) The table of parts for subchapter A of
8 chapter 1 of such Code is amended by inserting
9 after the item relating to part VII the following
10 new item:

 “PART VIII. ENVIRONMENTAL TAX”.

11 (d) EFFECTIVE DATES.—

12 (1) EXCISE TAXES.—The amendments made by
13 subsections (a) and (b) shall take effect on the date
14 of the enactment of this Act.

15 (2) INCOME TAX.—The amendments made by
16 subsection (c) shall apply to taxable years beginning
17 after the date of the enactment of this Act.

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