

117TH CONGRESS
2D SESSION

H. R. 8116

To amend the Internal Revenue Code of 1986 to repeal the excise tax on heavy trucks and trailers, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 16, 2022

Mr. LAMALFA (for himself and Mr. PAPPAS) 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 repeal the excise tax on heavy trucks and trailers, 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,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Modern, Clean, and
5 Safe Trucks Act of 2022”.

6 **SEC. 2. FINDINGS.**

7 Congress finds that—

8 (1) the 12-percent Federal retail excise tax on
9 certain new heavy trucks, tractors, and trailers, cou-
10 pled with new regulatory mandates, significantly in-

1 creases the cost of new heavy-duty trucks, tractors,
2 and trailers and discourages the replacement of
3 older, less environmentally clean and less fuel eco-
4 nomical vehicles;

5 (2) this 12-percent Federal retail excise tax is
6 the highest percentage rate of any Federal ad valo-
7 rem excise tax;

8 (3) the Federal excise tax was first levied by
9 Congress in 1917 to help finance America's involve-
10 ment in World War I;

11 (4) the 12-percent Federal retail excise tax rou-
12 tinely adds between \$12,000 and \$22,000 to the cost
13 of a new heavy truck, tractor, or trailer;

14 (5) more than half of the Class 8 trucks on the
15 road are over 10 years old and lack a decade of envi-
16 ronmental and safety technological advancements;

17 (6) since 2007, new trucks have reduced carbon
18 dioxide emissions by 202 million tons, nitrogen oxide
19 emissions by 27 million tons, and saved 20 billion
20 gallons of diesel and 472 million barrels of crude oil;

21 (7) an owner of a single Class 8 truck powered
22 by the latest clean diesel engine can expect to save
23 about 2,200 gallons of fuel each year compared to
24 previous generations of technology;

1 (8) over the past 3 decades, cleaner fuel and
2 advanced engines have combined to reduce nitrogen
3 oxide (NO_x) emissions by 97 percent and particulate
4 matter (PM) emissions by 98 percent;

5 (9) the Federal excise tax disproportionately
6 impacts electric and alternative-fueled trucks, which
7 currently have a higher up front cost, at a time
8 when adoption of these technologies is needed to ac-
9 celerate the transition to zero emission vehicles and
10 the reduction of carbon pollution from transpor-
11 tation;

12 (10) there are approximately 1,300,000 United
13 States manufacturing, supplier, dealership, and
14 heavy-duty trucking and trailer related jobs;

15 (11) since the Federal retail excise tax on cer-
16 tain new heavy trucks, tractors, and trailers is based
17 on annual sales, receipts from the tax deposited in
18 the Highway Trust Fund can vary greatly;

19 (12) Congress should consider a more reliable
20 and consistent revenue mechanism to fund the High-
21 way Trust Fund;

22 (13) Congress should advance the deployment
23 of the most modern, clean, and safe trucks through
24 eliminating the Federal excise tax on trucks; and

1 (14) repealing the Federal excise tax would re-
2 sult in the replacement of older internal combustion
3 engine trucks with new heavy duty trucks that em-
4 ploy the latest safety and environmental tech-
5 nologies.

6 **SEC. 3. REPEAL OF EXCISE TAX ON HEAVY TRUCKS AND**
7 **TRAILERS.**

8 (a) IN GENERAL.—Chapter 31 of the Internal Rev-
9 enue Code of 1986 is amended by striking subchapter C
10 (and by striking the item relating to such subchapter from
11 the table of subchapters for such chapter).

12 (b) CONFORMING AMENDMENTS.—

13 (1) Section 4072(c) of such Code is amended to
14 read as follows:

15 “(c) TIRES OF THE TYPE USED ON HIGHWAY VEHI-
16 CLES.—

17 “(1) IN GENERAL.—For purposes of this part,
18 the term ‘tires of the type used on highway vehicles’
19 means tires of the type used on—

20 “(A) motor vehicles which are highway ve-
21 hicles, or

22 “(B) vehicles of the type used in connec-
23 tion with motor vehicles which are highway ve-
24 hicles.

25 “(2) EXCEPTION FOR MOBILE MACHINERY.—

1 “(A) IN GENERAL.—Such term shall not
2 include tires of a type used exclusively on mo-
3 bile machinery.

4 “(B) MOBILE MACHINERY.—For purposes
5 of subparagraph (A), the term ‘mobile machin-
6 ery’ means any vehicle which consists of a chas-
7 sis—

8 “(i) to which there has been perma-
9 nently mounted (by welding, bolting, riv-
10 eting, or other means) machinery or equip-
11 ment to perform a construction, manufac-
12 turing, processing, farming, mining, drill-
13 ing, timbering, or similar operation if the
14 operation of the machinery or equipment is
15 unrelated to transportation on or off the
16 public highways,

17 “(ii) which has been specially designed
18 to serve only as a mobile carriage and
19 mount (and a power source, where applica-
20 ble) for the particular machinery or equip-
21 ment involved, whether or not such ma-
22 chinery or equipment is in operation, and

23 “(iii) which, by reason of such special
24 design, could not, without substantial
25 structural modification, be used as a com-

1 ponent of a vehicle designed to perform a
2 function of transporting any load other
3 than that particular machinery or equip-
4 ment or similar machinery or equipment
5 requiring such a specially designed chas-
6 sis.”.

7 (2) Section 4221 of such Code is amended—

8 (A) in subsection (a)—

9 (i) by striking “(or under subchapter
10 C of chapter 31 on the first retail sale)”,
11 and

12 (ii) by striking “4051 or”,

13 (B) in subsection (c), by striking “and in
14 the case of any article sold free of tax under
15 section 4053(6),”, and

16 (C) in subsection (d)(1), by striking “,
17 and, in the case of the taxes imposed by sub-
18 chapter C of chapter 31, includes the retailer
19 with respect to the first retail sale”.

20 (3) Section 4222(d) of such Code is amended
21 by striking “4053(6),”.

22 (4) Section 4293 of such Code is amended by
23 striking “section 4051,”.

1 (5) Section 4483(g) of such Code is amended
2 by striking “section 4053(8)” and inserting “section
3 4072(c)(2)”.

4 (6) Section 6416(b)(2) of such Code is amend-
5 ed by striking “or under section 4051”.

6 (7) Section 6416(b) of such Code is amended
7 by striking paragraph (6).

8 (8) Section 9503(b)(1) of such Code is amend-
9 ed by striking subparagraph (B) and by redesign-
10 nating subparagraphs (C), (D), and (E) as subpara-
11 graphs (B), (C), and (D), respectively.

12 (c) EFFECTIVE DATE.—The amendments made by
13 this section shall apply to sales and installations on or
14 after the date of the introduction of this Act.

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