

Iraqi Freedom and to other residents of rural areas, and for other purposes.

S.J. RES. 37

At the request of Mrs. FEINSTEIN, the names of the Senator from New Mexico (Mr. BINGAMAN) and the Senator from Washington (Ms. CANTWELL) were added as cosponsors of S.J. Res. 37, a joint resolution expressing the sense of Congress that the United States should sign the Declaration of the Oslo Conference on Cluster Munitions and future instruments banning cluster munitions that cause unacceptable harm to civilians.

S. CON. RES. 80

At the request of Mr. THUNE, his name was added as a cosponsor of S. Con. Res. 80, a concurrent resolution urging the President to designate a National Airborne Day in recognition of persons who are serving or have served in the airborne forces of the Armed Services.

S. RES. 580

At the request of Mr. BAYH, the name of the Senator from New Hampshire (Mr. SUNUNU) was added as a cosponsor of S. Res. 580, a resolution expressing the sense of the Senate on preventing Iran from acquiring a nuclear weapons capability.

AMENDMENT NO. 4823

At the request of Mr. LIEBERMAN, his name was added as a cosponsor of amendment No. 4823 intended to be proposed to S. 3036, a bill to direct the Administrator of the Environmental Protection Agency to establish a program to decrease emissions of greenhouse gases, and for other purposes.

AMENDMENT NO. 4836

At the request of Mr. LIEBERMAN, his name was added as a cosponsor of amendment No. 4836 intended to be proposed to S. 3036, a bill to direct the Administrator of the Environmental Protection Agency to establish a program to decrease emissions of greenhouse gases, and for other purposes.

AMENDMENT NO. 4844

At the request of Mr. LIEBERMAN, his name was added as a cosponsor of amendment No. 4844 intended to be proposed to S. 3036, a bill to direct the Administrator of the Environmental Protection Agency to establish a program to decrease emissions of greenhouse gases, and for other purposes.

AMENDMENT NO. 4857

At the request of Mr. LIEBERMAN, his name was added as a cosponsor of amendment No. 4857 intended to be proposed to S. 3036, a bill to direct the Administrator of the Environmental Protection Agency to establish a program to decrease emissions of greenhouse gases, and for other purposes.

AMENDMENT NO. 4867

At the request of Mr. LIEBERMAN, his name was added as a cosponsor of amendment No. 4867 intended to be proposed to S. 3036, a bill to direct the Administrator of the Environmental Protection Agency to establish a program to decrease emissions of greenhouse gases, and for other purposes.

AMENDMENT NO. 4871

At the request of Mr. LAUTENBERG, the names of the Senator from Washington (Ms. CANTWELL) and the Senator from Illinois (Mr. DURBIN) were added as cosponsors of amendment No. 4871 intended to be proposed to S. 3036, a bill to direct the Administrator of the Environmental Protection Agency to establish a program to decrease emissions of greenhouse gases, and for other purposes.

AMENDMENT NO. 4877

At the request of Mr. LIEBERMAN, his name was added as a cosponsor of amendment No. 4877 intended to be proposed to S. 3036, a bill to direct the Administrator of the Environmental Protection Agency to establish a program to decrease emissions of greenhouse gases, and for other purposes.

AMENDMENT NO. 4900

At the request of Mr. LIEBERMAN, his name was added as a cosponsor of amendment No. 4900 intended to be proposed to S. 3036, a bill to direct the Administrator of the Environmental Protection Agency to establish a program to decrease emissions of greenhouse gases, and for other purposes.

AMENDMENT NO. 4901

At the request of Mr. LIEBERMAN, his name was added as a cosponsor of amendment No. 4901 intended to be proposed to S. 3036, a bill to direct the Administrator of the Environmental Protection Agency to establish a program to decrease emissions of greenhouse gases, and for other purposes.

AMENDMENT NO. 4929

At the request of Mr. LIEBERMAN, his name was added as a cosponsor of amendment No. 4929 intended to be proposed to S. 3036, a bill to direct the Administrator of the Environmental Protection Agency to establish a program to decrease emissions of greenhouse gases, and for other purposes.

AMENDMENT NO. 4935

At the request of Mr. LIEBERMAN, his name was added as a cosponsor of amendment No. 4935 intended to be proposed to S. 3036, a bill to direct the Administrator of the Environmental Protection Agency to establish a program to decrease emissions of greenhouse gases, and for other purposes.

AMENDMENT NO. 4937

At the request of Mr. LIEBERMAN, his name was added as a cosponsor of amendment No. 4937 intended to be proposed to S. 3036, a bill to direct the Administrator of the Environmental Protection Agency to establish a program to decrease emissions of greenhouse gases, and for other purposes.

AMENDMENT NO. 4940

At the request of Mr. LIEBERMAN, his name was added as a cosponsor of amendment No. 4940 intended to be proposed to S. 3036, a bill to direct the Administrator of the Environmental Protection Agency to establish a program to decrease emissions of greenhouse gases, and for other purposes.

AMENDMENT NO. 4949

At the request of Mr. LIEBERMAN, his name was added as a cosponsor of

amendment No. 4949 intended to be proposed to S. 3036, a bill to direct the Administrator of the Environmental Protection Agency to establish a program to decrease emissions of greenhouse gases, and for other purposes.

AMENDMENT NO. 4952

At the request of Mr. LIEBERMAN, his name was added as a cosponsor of amendment No. 4952 intended to be proposed to S. 3036, a bill to direct the Administrator of the Environmental Protection Agency to establish a program to decrease emissions of greenhouse gases, and for other purposes.

AMENDMENT NO. 4955

At the request of Mr. LIEBERMAN, his name was added as a cosponsor of amendment No. 4955 intended to be proposed to S. 3036, a bill to direct the Administrator of the Environmental Protection Agency to establish a program to decrease emissions of greenhouse gases, and for other purposes.

AMENDMENT NO. 4968

At the request of Mr. LIEBERMAN, his name was added as a cosponsor of amendment No. 4968 intended to be proposed to S. 3036, a bill to direct the Administrator of the Environmental Protection Agency to establish a program to decrease emissions of greenhouse gases, and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MCCONNELL (for himself, Mr. KYL, Mr. GRASSLEY, Mr. HATCH, and Mr. ROBERTS):

S. 3098. A bill to amend the Internal Revenue Code of 1986 to extend certain expiring provisions, and for other purposes; read the first time.

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 3098

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; AMENDMENT OF 1986 CODE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the “Alternative Minimum Tax and Extenders Tax Relief Act of 2008”.

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; amendment of 1986 Code; table of contents.

TITLE I—ALTERNATIVE MINIMUM TAX RELIEF

Sec. 101. Extension of alternative minimum tax relief for nonrefundable personal credits.

Sec. 102. Extension of increased alternative minimum tax exemption amount.

TITLE II—INDIVIDUAL TAX PROVISIONS

- Sec. 201. Deduction for State and local sales taxes.
- Sec. 202. Deduction of qualified tuition and related expenses.
- Sec. 203. Deduction for certain expenses of elementary and secondary school teachers.
- Sec. 204. Tax-free distributions from individual retirement plans for charitable purposes.
- Sec. 205. Treatment of certain dividends of regulated investment companies.
- Sec. 206. Stock in RIC for purposes of determining estates of nonresidents not citizens.
- Sec. 207. Qualified investment entities.

TITLE III—BUSINESS TAX PROVISIONS

- Sec. 301. Extension and modification of research credit.
- Sec. 302. New markets tax credit.
- Sec. 303. Subpart F exception for active financing income.
- Sec. 304. Extension of look-thru rule for related controlled foreign corporations.
- Sec. 305. Extension of 15-year straight-line cost recovery for qualified leasehold improvements and qualified restaurant improvements.
- Sec. 306. Enhanced charitable deduction for contributions of food inventory.
- Sec. 307. Extension of enhanced charitable deduction for contributions of book inventory.
- Sec. 308. Modification of tax treatment of certain payments to controlling exempt organizations.
- Sec. 309. Basis adjustment to stock of S corporations making charitable contributions of property.
- Sec. 310. Increase in limit on cover over of rum excise tax to Puerto Rico and the Virgin Islands.
- Sec. 311. Extension of economic development credit for American Samoa.
- Sec. 312. Extension of mine rescue team training credit.
- Sec. 313. Extension of election to expense advanced mine safety equipment.
- Sec. 314. Extension of expensing rules for qualified film and television productions.
- Sec. 315. Deduction allowable with respect to income attributable to domestic production activities in Puerto Rico.
- Sec. 316. Extension of qualified zone academy bonds.
- Sec. 317. Indian employment credit.
- Sec. 318. Accelerated depreciation for business property on Indian reservation.
- Sec. 319. Railroad track maintenance.
- Sec. 320. Seven-year cost recovery period for motorsports racing track facility.
- Sec. 321. Expensing of environmental remediation costs.
- Sec. 322. Extension of work opportunity tax credit for Hurricane Katrina employees.

TITLE IV—EXTENSION OF CLEAN ENERGY PRODUCTION INCENTIVES

- Sec. 401. Extension and modification of renewable energy production tax credit.
- Sec. 402. Extension and modification of solar energy and fuel cell investment tax credit.
- Sec. 403. Extension and modification of residential energy efficient property credit.

Sec. 404. Extension and modification of credit for clean renewable energy bonds.

Sec. 405. Extension of special rule to implement FERC restructuring policy.

TITLE V—EXTENSION OF INCENTIVES TO IMPROVE ENERGY EFFICIENCY

- Sec. 501. Extension and modification of credit for energy efficiency improvements to existing homes.
- Sec. 502. Extension and modification of tax credit for energy efficient new homes.
- Sec. 503. Extension and modification of energy efficient commercial buildings deduction.
- Sec. 504. Modification and extension of energy efficient appliance credit for appliances produced after 2007.

TITLE VI—EXTENSION OF ALTERNATIVE FUELS AND MARGINAL PRODUCTION

- Sec. 601. Percentage depletion for marginal well production.
- Sec. 602. Credits for biodiesel and renewable diesel.
- Sec. 603. Credit for alternative fuels.

TITLE VII—TAX ADMINISTRATION

- Sec. 701. Permanent authority for undercover operations.
- Sec. 702. Permanent disclosures of certain tax return information.
- Sec. 703. Disclosure of information relating to terrorist activities.

TITLE I—ALTERNATIVE MINIMUM TAX RELIEF

SEC. 101. EXTENSION OF ALTERNATIVE MINIMUM TAX RELIEF FOR NONREFUNDABLE PERSONAL CREDITS.

- (a) IN GENERAL.—Paragraph (2) of section 26(a) (relating to special rule for taxable years 2000 through 2007) is amended—
- (1) by striking “or 2007” and inserting “2007, or 2008”, and
- (2) by striking “2007” in the heading thereof and inserting “2008”.
- (b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2007.

SEC. 102. EXTENSION OF INCREASED ALTERNATIVE MINIMUM TAX EXEMPTION AMOUNT.

- (a) IN GENERAL.—Paragraph (1) of section 55(d) (relating to exemption amount) is amended—
- (1) by striking “(\$66,250 in the case of taxable years beginning in 2007)” in subparagraph (A) and inserting “(\$69,950 in the case of taxable years beginning in 2008)”, and
- (2) by striking “(\$44,350 in the case of taxable years beginning in 2007)” in subparagraph (B) and inserting “(\$46,200 in the case of taxable years beginning in 2008)”.
- (b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2007.

TITLE II—INDIVIDUAL TAX PROVISIONS

SEC. 201. DEDUCTION FOR STATE AND LOCAL SALES TAXES.

- (a) IN GENERAL.—Subparagraph (I) of section 164(b)(5) is amended by striking “January 1, 2008” and inserting “January 1, 2010”.
- (b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2007.

SEC. 202. DEDUCTION OF QUALIFIED TUITION AND RELATED EXPENSES.

- (a) IN GENERAL.—Subsection (e) of section 222 (relating to termination) is amended by striking “December 31, 2007” and inserting “December 31, 2009”.
- (b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2007.

SEC. 203. DEDUCTION FOR CERTAIN EXPENSES OF ELEMENTARY AND SECONDARY SCHOOL TEACHERS.

(a) IN GENERAL.—Subparagraph (D) of section 62(a)(2) (relating to certain expenses of elementary and secondary school teachers) is amended by striking “or 2007” and inserting “2007, 2008, or 2009”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2007.

SEC. 204. TAX-FREE DISTRIBUTIONS FROM INDIVIDUAL RETIREMENT PLANS FOR CHARITABLE PURPOSES.

(a) IN GENERAL.—Subparagraph (F) of section 408(d)(8) (relating to termination) is amended by striking “December 31, 2007” and inserting “December 31, 2009”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to distributions made in taxable years beginning after December 31, 2007.

SEC. 205. TREATMENT OF CERTAIN DIVIDENDS OF REGULATED INVESTMENT COMPANIES.

(a) INTEREST-RELATED DIVIDENDS.—Subparagraph (C) of section 871(k)(1) (defining interest-related dividend) is amended by striking “December 31, 2007” and inserting “December 31, 2009”.

(b) SHORT-TERM CAPITAL GAIN DIVIDENDS.—Subparagraph (C) of section 871(k)(2) (defining short-term capital gain dividend) is amended by striking “December 31, 2007” and inserting “December 31, 2009”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to dividends with respect to taxable years of regulated investment companies beginning after December 31, 2007.

SEC. 206. STOCK IN RIC FOR PURPOSES OF DETERMINING ESTATES OF NON-RESIDENTS NOT CITIZENS.

(a) IN GENERAL.—Paragraph (3) of section 2105(d) (relating to stock in a RIC) is amended by striking “December 31, 2007” and inserting “December 31, 2009”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to decedents dying after December 31, 2007.

SEC. 207. QUALIFIED INVESTMENT ENTITIES.

(a) IN GENERAL.—Clause (ii) of section 897(h)(4)(A) (relating to termination) is amended by striking “December 31, 2007” and inserting “December 31, 2009”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on January 1, 2008.

TITLE III—BUSINESS TAX PROVISIONS

SEC. 301. EXTENSION AND MODIFICATION OF RESEARCH CREDIT.

(a) EXTENSION.—Section 41(h) (relating to termination) is amended—

(1) by striking “December 31, 2007” and inserting “December 31, 2009” in paragraph (1)(B),

(2) by redesignating paragraph (2) as paragraph (3), and

(3) by inserting after paragraph (1) the following new paragraph:

“(2) TERMINATION OF ALTERNATIVE INCREMENTAL CREDIT.—No election under subsection (c)(4) shall apply to amounts paid or incurred after December 31, 2007.”

(b) MODIFICATION OF ALTERNATIVE SIMPLIFIED CREDIT.—Paragraph (5)(A) of section 41(c) (relating to election of alternative simplified credit) is amended to read as follows:

“(A) IN GENERAL.—

“(i) CALCULATION OF CREDIT.—At the election of the taxpayer, the credit determined under subsection (a)(1) shall be equal to the applicable percentage (as defined in clause (ii)) of so much of the qualified research expenses for the taxable year as exceeds 50 percent of the average qualified research expenses for the 3 taxable years preceding the

taxable year for which the credit is being determined.

“(ii) **APPLICABLE PERCENTAGE.**—For purposes of the calculation under clause (i), the applicable percentage is—

“(I) 14 percent, in the case of taxable years ending before January 1, 2009, and

“(II) 16 percent, in the case of taxable years beginning after December 31, 2008.”.

(c) **CONFORMING AMENDMENT.**—Subparagraph (D) of section 45C(b)(1) (relating to special rule) is amended by striking “December 31, 2007” and inserting “December 31, 2009”.

(d) **TECHNICAL CORRECTION.**—Paragraph (3) of section 41(h) is amended to read as follows:

“(2) **COMPUTATION FOR TAXABLE YEAR IN WHICH CREDIT TERMINATES.**—In the case of any taxable year with respect to which this section applies to a number of days which is less than the total number of days in such taxable year—

“(A) the amount determined under subsection (c)(1)(B) with respect to such taxable year shall be the amount which bears the same ratio to such amount (determined without regard to this paragraph) as the number of days in such taxable year to which this section applies bears to the total number of days in such taxable year; and

“(B) for purposes of subsection (c)(5), the average qualified research expenses for the preceding 3 taxable years shall be the amount which bears the same ratio to such average qualified research expenses (determined without regard to this paragraph) as the number of days in such taxable year to which this section applies bears to the total number of days in such taxable year.”.

(e) **EFFECTIVE DATE.**—The amendments made by this section shall apply to amounts paid or incurred after December 31, 2007.

SEC. 302. NEW MARKETS TAX CREDIT.

Subparagraph (D) of section 45D(f)(1) (relating to national limitation on amount of investments designated) is amended by striking “and 2008” and inserting “2008, and 2009”.

SEC. 303. SUBPART F EXCEPTION FOR ACTIVE FINANCING INCOME.

(a) **EXEMPT INSURANCE INCOME.**—Paragraph (10) of section 953(e) (relating to application) is amended—

(1) by striking “January 1, 2009” and inserting “January 1, 2010”, and

(2) by striking “December 31, 2008” and inserting “December 31, 2009”.

(b) **EXCEPTION TO TREATMENT AS FOREIGN PERSONAL HOLDING COMPANY INCOME.**—Paragraph (9) of section 954(h) (relating to application) is amended by striking “January 1, 2009” and inserting “January 1, 2010”.

SEC. 304. EXTENSION OF LOOK-THRU RULE FOR RELATED CONTROLLED FOREIGN CORPORATIONS.

(a) **IN GENERAL.**—Subparagraph (B) of section 954(c)(6) (relating to application) is amended by striking “January 1, 2009” and inserting “January 1, 2010”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to taxable years of foreign corporations beginning after December 31, 2007, and to taxable years of United States shareholders with or within which such taxable years of foreign corporations end.

SEC. 305. EXTENSION OF 15-YEAR STRAIGHT-LINE COST RECOVERY FOR QUALIFIED LEASEHOLD IMPROVEMENTS AND QUALIFIED RESTAURANT IMPROVEMENTS.

(a) **IN GENERAL.**—Clauses (iv) and (v) of section 168(e)(3)(E) (relating to 15-year property) are each amended by striking “January 1, 2008” and inserting “January 1, 2010”.

(b) **EFFECTIVE DATE.**—The amendments made by this section shall apply to property placed in service after December 31, 2007.

SEC. 306. ENHANCED CHARITABLE DEDUCTION FOR CONTRIBUTIONS OF FOOD INVENTORY.

(a) **IN GENERAL.**—Clause (iv) of section 170(e)(3)(C) (relating to termination) is amended by striking “December 31, 2007” and inserting “December 31, 2009”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to contributions made after December 31, 2007.

SEC. 307. EXTENSION OF ENHANCED CHARITABLE DEDUCTION FOR CONTRIBUTIONS OF BOOK INVENTORY.

(a) **EXTENSION.**—Clause (iv) of section 170(e)(3)(D) (relating to termination) is amended by striking “December 31, 2007” and inserting “December 31, 2009”.

(b) **CLERICAL AMENDMENT.**—Clause (iii) of section 170(e)(3)(D) (relating to certification by donee) is amended by inserting “of books” after “to any contribution”.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to contributions made after December 31, 2007.

SEC. 308. MODIFICATION OF TAX TREATMENT OF CERTAIN PAYMENTS TO CONTROLLING EXEMPT ORGANIZATIONS.

(a) **IN GENERAL.**—Clause (iv) of section 512(b)(13)(E) (relating to termination) is amended by striking “December 31, 2007” and inserting “December 31, 2009”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to payments received or accrued after December 31, 2007.

SEC. 309. BASIS ADJUSTMENT TO STOCK OF S CORPORATIONS MAKING CHARITABLE CONTRIBUTIONS OF PROPERTY.

(a) **IN GENERAL.**—The last sentence of section 1367(a)(2) (relating to decreases in basis) is amended by striking “December 31, 2007” and inserting “December 31, 2009”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to contributions made in taxable years beginning after December 31, 2007.

SEC. 310. INCREASE IN LIMIT ON COVER OVER OF RUM EXCISE TAX TO PUERTO RICO AND THE VIRGIN ISLANDS.

(a) **IN GENERAL.**—Paragraph (1) of section 7652(f) is amended by striking “January 1, 2008” and inserting “January 1, 2010”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to distilled spirits brought into the United States after December 31, 2007.

SEC. 311. EXTENSION OF ECONOMIC DEVELOPMENT CREDIT FOR AMERICAN SAMOA.

(a) **IN GENERAL.**—Subsection (d) of section 119 of division A of the Tax Relief and Health Care Act of 2006 is amended—

(1) by striking “first two taxable years” and inserting “first 4 taxable years”, and

(2) by striking “January 1, 2008” and inserting “January 1, 2010”.

(b) **EFFECTIVE DATE.**—The amendments made by this section shall apply to taxable years beginning after December 31, 2007.

SEC. 312. EXTENSION OF MINE RESCUE TEAM TRAINING CREDIT.

Section 45N(e) (relating to termination) is amended by striking “December 31, 2008” and inserting “December 31, 2009”.

SEC. 313. EXTENSION OF ELECTION TO EXPENSE ADVANCED MINE SAFETY EQUIPMENT.

Section 179E(g) (relating to termination) is amended by striking “December 31, 2008” and inserting “December 31, 2009”.

SEC. 314. EXTENSION OF EXPENSING RULES FOR QUALIFIED FILM AND TELEVISION PRODUCTIONS.

Section 181(f) (relating to termination) is amended by striking “December 31, 2008” and inserting “December 31, 2009”.

SEC. 315. DEDUCTION ALLOWABLE WITH RESPECT TO INCOME ATTRIBUTABLE TO DOMESTIC PRODUCTION ACTIVITIES IN PUERTO RICO.

(a) **IN GENERAL.**—Subparagraph (C) of section 199(d)(8) (relating to termination) is amended—

(1) by striking “first 2 taxable years” and inserting “first 4 taxable years”, and

(2) by striking “January 1, 2008” and inserting “January 1, 2010”.

(b) **EFFECTIVE DATE.**—The amendments made by this section shall apply to taxable years beginning after December 31, 2007.

SEC. 316. EXTENSION OF QUALIFIED ZONE ACADEMY BONDS.

(a) **IN GENERAL.**—Paragraph (1) of section 1397E(e) is amended by striking “and 2007” and inserting “2007, 2008, and 2009”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to obligations issued after the date of the enactment of this Act.

SEC. 317. INDIAN EMPLOYMENT CREDIT.

(a) **IN GENERAL.**—Subsection (f) of section 45A (relating to termination) is amended by striking “December 31, 2007” and inserting “December 31, 2009”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to taxable years beginning after December 31, 2007.

SEC. 318. ACCELERATED DEPRECIATION FOR BUSINESS PROPERTY ON INDIAN RESERVATION.

(a) **IN GENERAL.**—Paragraph (8) of section 168(j) (relating to termination) is amended by striking “December 31, 2007” and inserting “December 31, 2009”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to property placed in service after December 31, 2007.

SEC. 319. RAILROAD TRACK MAINTENANCE.

(a) **IN GENERAL.**—Subsection (f) of section 45G (relating to application of section) is amended by striking “January 1, 2008” and inserting “January 1, 2010”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to expenditures paid or incurred during taxable years beginning after December 31, 2007.

SEC. 320. SEVEN-YEAR COST RECOVERY PERIOD FOR MOTORSPORTS RACING TRACK FACILITY.

(a) **IN GENERAL.**—Subparagraph (D) of section 168(i)(15) (relating to termination) is amended to read as follows:

“(D) **APPLICATION OF PARAGRAPH.**—Such term shall apply to property placed in service after the date of the enactment of the Alternative Minimum Tax and Extenders Tax Relief Act of 2008 and before January 1, 2010.”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to property placed in service after the date of the enactment of this Act.

SEC. 321. EXPENSING OF ENVIRONMENTAL REMEDIATION COSTS.

(a) **IN GENERAL.**—Subsection (h) of section 198 (relating to termination) is amended by striking “December 31, 2007” and inserting “December 31, 2009”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to expenditures paid or incurred after December 31, 2007.

SEC. 322. EXTENSION OF WORK OPPORTUNITY TAX CREDIT FOR HURRICANE KATRINA EMPLOYEES.

(a) **IN GENERAL.**—Paragraph (1) of section 201(b) of the Katrina Emergency Tax Relief Act of 2005 is amended by striking “2-year” and inserting “4-year”.

(b) **EFFECTIVE DATE.**—The amendment made by subsection (a) shall apply to individuals hired after August 27, 2007.

TITLE IV—EXTENSION OF CLEAN ENERGY PRODUCTION INCENTIVES

SEC. 401. EXTENSION AND MODIFICATION OF RENEWABLE ENERGY PRODUCTION TAX CREDIT.

(a) EXTENSION OF CREDIT.—Each of the following provisions of section 45(d) (relating to qualified facilities) is amended by striking “January 1, 2009” and inserting “January 1, 2010”:

- (1) Paragraph (1).
- (2) Clauses (i) and (ii) of paragraph (2)(A).
- (3) Clauses (i)(I) and (ii) of paragraph (3)(A).
- (4) Paragraph (4).
- (5) Paragraph (5).
- (6) Paragraph (6).
- (7) Paragraph (7).
- (8) Paragraph (8).
- (9) Subparagraphs (A) and (B) of paragraph (9).

(b) PRODUCTION CREDIT FOR ELECTRICITY PRODUCED FROM MARINE RENEWABLES.—

(1) IN GENERAL.—Paragraph (1) of section 45(c) (relating to resources) is amended by striking “and” at the end of subparagraph (G), by striking the period at the end of subparagraph (H) and inserting “, and”, and by adding at the end the following new subparagraph:

“(I) marine and hydrokinetic renewable energy.”

(2) MARINE RENEWABLES.—Subsection (c) of section 45 is amended by adding at the end the following new paragraph:

“(10) MARINE AND HYDROKINETIC RENEWABLE ENERGY.—

“(A) IN GENERAL.—The term ‘marine and hydrokinetic renewable energy’ means energy derived from—

“(i) waves, tides, and currents in oceans, estuaries, and tidal areas,

“(ii) free flowing water in rivers, lakes, and streams,

“(iii) free flowing water in an irrigation system, canal, or other man-made channel, including projects that utilize nonmechanical structures to accelerate the flow of water for electric power production purposes, or

“(iv) differentials in ocean temperature (ocean thermal energy conversion).

“(B) EXCEPTIONS.—Such term shall not include any energy which is derived from any source which utilizes a dam, diversionary structure (except as provided in subparagraph (A)(iii)), or impoundment for electric power production purposes.”

(3) DEFINITION OF FACILITY.—Subsection (d) of section 45 is amended by adding at the end the following new paragraph:

“(11) MARINE AND HYDROKINETIC RENEWABLE ENERGY FACILITIES.—In the case of a facility producing electricity from marine and hydrokinetic renewable energy, the term ‘qualified facility’ means any facility owned by the taxpayer—

“(A) which has a nameplate capacity rating of at least 150 kilowatts, and

“(B) which is originally placed in service on or after the date of the enactment of this paragraph and before January 1, 2010.”

(4) CREDIT RATE.—Subparagraph (A) of section 45(b)(4) is amended by striking “or (9)” and inserting “(9), or (11)”.

(5) COORDINATION WITH SMALL IRRIGATION POWER.—Paragraph (5) of section 45(d), as amended by subsection (a), is amended by striking “January 1, 2010” and inserting “the date of the enactment of paragraph (11)”.

(c) SALES OF ELECTRICITY TO REGULATED PUBLIC UTILITIES TREATED AS SALES TO UNRELATED PERSONS.—Section 45(e)(4) (relating to related persons) is amended by adding at the end the following new sentence: “A taxpayer shall be treated as selling electricity to an unrelated person if such electricity is

sold to a regulated public utility (as defined in section 7701(a)(33)).”

(d) TRASH FACILITY CLARIFICATION.—Paragraph (7) of section 45(d) is amended—

(1) by striking “facility which burns” and inserting “facility (other than a facility described in paragraph (6)) which uses”, and

(2) by striking “COMBUSTION”.

(e) EFFECTIVE DATES.—

(1) EXTENSION.—The amendments made by subsection (a) shall apply to property originally placed in service after December 31, 2008.

(2) MODIFICATIONS.—The amendments made by subsections (b) and (c) shall apply to electricity produced and sold after the date of the enactment of this Act, in taxable years ending after such date.

(3) TRASH FACILITY CLARIFICATION.—The amendments made by subsection (d) shall apply to electricity produced and sold before, on, or after December 31, 2007.

SEC. 402. EXTENSION AND MODIFICATION OF SOLAR ENERGY AND FUEL CELL INVESTMENT TAX CREDIT.

(a) EXTENSION OF CREDIT.—

(1) SOLAR ENERGY PROPERTY.—Paragraphs (2)(A)(i)(II) and (3)(A)(ii) of section 48(a) (relating to energy credit) are each amended by striking “January 1, 2009” and inserting “January 1, 2017”.

(2) FUEL CELL PROPERTY.—Subparagraph (E) of section 48(c)(1) (relating to qualified fuel cell property) is amended by striking “December 31, 2008” and inserting “December 31, 2016”.

(3) QUALIFIED MICROTURBINE PROPERTY.—Subparagraph (E) of section 48(c)(2) (relating to qualified microturbine property) is amended by striking “December 31, 2008” and inserting “December 31, 2016”.

(b) ALLOWANCE OF ENERGY CREDIT AGAINST ALTERNATIVE MINIMUM TAX.—Subparagraph (B) of section 38(c)(4) (relating to specified credits) is amended by striking “and” at the end of clause (iii), by striking the period at the end of clause (iv) and inserting “, and”, and by adding at the end the following new clause:

“(v) the credit determined under section 46 to the extent that such credit is attributable to the energy credit determined under section 48.”

(c) REPEAL OF DOLLAR PER KILOWATT LIMITATION FOR FUEL CELL PROPERTY.—

(1) IN GENERAL.—Section 48(c)(1) (relating to qualified fuel cell), as amended by subsection (a)(2), is amended by striking subparagraph (B) and by redesignating subparagraphs (C), (D), and (E) as subparagraphs (B), (C), and (D), respectively.

(2) CONFORMING AMENDMENT.—Section 48(a)(1) is amended by striking “paragraphs (1)(B) and (2)(B) of subsection (c)” and inserting “subsection (c)(2)(B)”.

(d) PUBLIC ELECTRIC UTILITY PROPERTY TAKEN INTO ACCOUNT.—

(1) IN GENERAL.—Paragraph (3) of section 48(a) is amended by striking the second sentence thereof.

(2) CONFORMING AMENDMENTS.—

(A) Paragraph (1) of section 48(c), as amended by this section, is amended by striking subparagraph (C) and redesignating subparagraph (D) as subparagraph (C).

(B) Paragraph (2) of section 48(c), as amended by subsection (a)(3), is amended by striking subparagraph (D) and redesignating subparagraph (E) as subparagraph (D).

(e) EFFECTIVE DATES.—

(1) EXTENSION.—The amendments made by subsection (a) shall take effect on the date of the enactment of this Act.

(2) ALLOWANCE AGAINST ALTERNATIVE MINIMUM TAX.—The amendments made by subsection (b) shall apply to credits determined under section 46 of the Internal Revenue Code of 1986 in taxable years beginning after

the date of the enactment of this Act and to carrybacks of such credits.

(3) FUEL CELL PROPERTY AND PUBLIC ELECTRIC UTILITY PROPERTY.—The amendments made by subsections (c) and (d) shall apply to periods after the date of the enactment of this Act, in taxable years ending after such date, under rules similar to the rules of section 48(m) of the Internal Revenue Code of 1986 (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990).

SEC. 403. EXTENSION AND MODIFICATION OF RESIDENTIAL ENERGY EFFICIENT PROPERTY CREDIT.

(a) EXTENSION.—Section 25D(g) (relating to termination) is amended by striking “December 31, 2008” and inserting “December 31, 2009”.

(b) NO DOLLAR LIMITATION FOR CREDIT FOR SOLAR ELECTRIC PROPERTY.—

(1) IN GENERAL.—Section 25D(b)(1) (relating to maximum credit) is amended by striking subparagraph (A) and by redesignating subparagraphs (B) and (C) as subparagraphs (A) and (B), respectively.

(2) CONFORMING AMENDMENTS.—Section 25D(e)(4) is amended—

(A) by striking clause (i) in subparagraph (A),

(B) by redesignating clauses (ii) and (iii) in subparagraph (A) as clauses (i) and (ii), respectively, and

(C) by striking “, (2),” in subparagraph (C).

(c) CREDIT ALLOWED AGAINST ALTERNATIVE MINIMUM TAX.—

(1) IN GENERAL.—Subsection (c) of section 25D is amended to read as follows:

“(c) LIMITATION BASED ON AMOUNT OF TAX; CARRYFORWARD OF UNUSED CREDIT.—

“(1) LIMITATION BASED ON AMOUNT OF TAX.—In the case of a taxable year to which section 26(a)(2) does not apply, the credit allowed under subsection (a) for the taxable year shall not exceed the excess of—

“(A) the sum of the regular tax liability (as defined in section 26(b)) plus the tax imposed by section 55, over

“(B) the sum of the credits allowable under this subpart (other than this section) and section 27 for the taxable year.

“(2) CARRYFORWARD OF UNUSED CREDIT.—

“(A) RULE FOR YEARS IN WHICH ALL PERSONAL CREDITS ALLOWED AGAINST REGULAR AND ALTERNATIVE MINIMUM TAX.—In the case of a taxable year to which section 26(a)(2) applies, if the credit allowable under subsection (a) exceeds the limitation imposed by section 26(a)(2) for such taxable year reduced by the sum of the credits allowable under this subpart (other than this section), such excess shall be carried to the succeeding taxable year and added to the credit allowable under subsection (a) for such succeeding taxable year.

“(B) RULE FOR OTHER YEARS.—In the case of a taxable year to which section 26(a)(2) does not apply, if the credit allowable under subsection (a) exceeds the limitation imposed by paragraph (1) for such taxable year, such excess shall be carried to the succeeding taxable year and added to the credit allowable under subsection (a) for such succeeding taxable year.”

(2) CONFORMING AMENDMENTS.—

(A) Section 23(b)(4)(B) is amended by inserting “and section 25D” after “this section”.

(B) Section 24(b)(3)(B) is amended by striking “and 25B” and inserting “, 25B, and 25D”.

(C) Section 25B(g)(2) is amended by striking “section 23” and inserting “sections 23 and 25D”.

(D) Section 26(a)(1) is amended by striking “and 25B” and inserting “25B, and 25D”.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to taxable years beginning after December 31, 2007.

(2) APPLICATION OF EGTRRA SUNSET.—The amendments made by subparagraphs (A) and (B) of subsection (c)(2) shall be subject to title IX of the Economic Growth and Tax Relief Reconciliation Act of 2001 in the same manner as the provisions of such Act to which such amendments relate.

SEC. 404. EXTENSION AND MODIFICATION OF CREDIT FOR CLEAN RENEWABLE ENERGY BONDS.

(a) EXTENSION.—Section 54(m) (relating to termination) is amended by striking “December 31, 2008” and inserting “December 31, 2009”.

(b) INCREASE IN NATIONAL LIMITATION.—Section 54(f) (relating to limitation on amount of bonds designated) is amended—

(1) by inserting “, and for the period beginning after the date of the enactment of the Clean Energy Tax Stimulus Act of 2008 and ending before January 1, 2010, \$400,000,000” after “\$1,200,000,000” in paragraph (1),

(2) by striking “\$750,000,000 of the” in paragraph (2) and inserting “\$750,000,000 of the \$1,200,000,000”, and

(3) by striking “bodies” in paragraph (2) and inserting “bodies, and except that the Secretary may not allocate more than 1/3 of the \$400,000,000 national clean renewable energy bond limitation to finance qualified projects of qualified borrowers which are public power providers nor more than 1/3 of such limitation to finance qualified projects of qualified borrowers which are mutual or cooperative electric companies described in section 501(c)(12) or section 1381(a)(2)(C)”.

(c) PUBLIC POWER PROVIDERS DEFINED.—Section 54(j) is amended—

(1) by adding at the end the following new paragraph:

“(6) PUBLIC POWER PROVIDER.—The term ‘public power provider’ means a State utility with a service obligation, as such terms are defined in section 217 of the Federal Power Act (as in effect on the date of the enactment of this paragraph).”, and

(2) by inserting “; PUBLIC POWER PROVIDER” before the period at the end of the heading.

(d) TECHNICAL AMENDMENT.—The third sentence of section 54(e)(2) is amended by striking “subsection (1)(6)” and inserting “subsection (1)(5)”.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to bonds issued after the date of the enactment of this Act.

SEC. 405. EXTENSION OF SPECIAL RULE TO IMPLEMENT FERC RESTRUCTURING POLICY.

(a) QUALIFYING ELECTRIC TRANSMISSION TRANSACTION.—

(1) IN GENERAL.—Section 451(i)(3) (defining qualifying electric transmission transaction) is amended by striking “January 1, 2008” and inserting “January 1, 2010”.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to transactions after December 31, 2007.

(b) INDEPENDENT TRANSMISSION COMPANY.—

(1) IN GENERAL.—Section 451(i)(4)(B)(ii) (defining independent transmission company) is amended by striking “December 31, 2007” and inserting “the date which is 2 years after the date of such transaction”.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall take effect as if included in the amendments made by section 909 of the American Jobs Creation Act of 2004.

TITLE V—EXTENSION OF INCENTIVES TO IMPROVE ENERGY EFFICIENCY

SEC. 501. EXTENSION AND MODIFICATION OF CREDIT FOR ENERGY EFFICIENCY IMPROVEMENTS TO EXISTING HOMES.

(a) EXTENSION OF CREDIT.—Section 25C(g) (relating to termination) is amended by striking “December 31, 2007” and inserting “December 31, 2009”.

(b) QUALIFIED BIOMASS FUEL PROPERTY.—

(1) IN GENERAL.—Section 25C(d)(3) is amended—

(A) by striking “and” at the end of subparagraph (D),

(B) by striking the period at the end of subparagraph (E) and inserting “, and”, and

(C) by adding at the end the following new subparagraph:

“(F) a stove which uses the burning of biomass fuel to heat a dwelling unit located in the United States and used as a residence by the taxpayer, or to heat water for use in such a dwelling unit, and which has a thermal efficiency rating of at least 75 percent.”.

(2) BIOMASS FUEL.—Section 25C(d) (relating to residential energy property expenditures) is amended by adding at the end the following new paragraph:

“(6) BIOMASS FUEL.—The term ‘biomass fuel’ means any plant-derived fuel available on a renewable or recurring basis, including agricultural crops and trees, wood and wood waste and residues (including wood pellets), plants (including aquatic plants), grasses, residues, and fibers.”.

(c) MODIFICATIONS OF STANDARDS FOR ENERGY-EFFICIENT BUILDING PROPERTY.—

(1) ELECTRIC HEAT PUMPS.—Subparagraph (B) of section 25C(d)(3) is amended to read as follows:

“(A) an electric heat pump which achieves the highest efficiency tier established by the Consortium for Energy Efficiency, as in effect on January 1, 2008.”.

(2) CENTRAL AIR CONDITIONERS.—Section 25C(d)(3)(D) is amended by striking “2006” and inserting “2008”.

(3) WATER HEATERS.—Subparagraph (E) of section 25C(d) is amended to read as follows:

“(E) a natural gas, propane, or oil water heater which has either an energy factor of at least 0.80 or a thermal efficiency of at least 90 percent.”.

(4) OIL FURNACES AND HOT WATER BOILERS.—Paragraph (4) of section 25C(d) is amended to read as follows:

“(4) QUALIFIED NATURAL GAS, PROPANE, AND OIL FURNACES AND HOT WATER BOILERS.—

“(A) QUALIFIED NATURAL GAS FURNACE.—The term ‘qualified natural gas furnace’ means any natural gas furnace which achieves an annual fuel utilization efficiency rate of not less than 95.

“(B) QUALIFIED NATURAL GAS HOT WATER BOILER.—The term ‘qualified natural gas hot water boiler’ means any natural gas hot water boiler which achieves an annual fuel utilization efficiency rate of not less than 90.

“(C) QUALIFIED PROPANE FURNACE.—The term ‘qualified propane furnace’ means any propane furnace which achieves an annual fuel utilization efficiency rate of not less than 95.

“(D) QUALIFIED PROPANE HOT WATER BOILER.—The term ‘qualified propane hot water boiler’ means any propane hot water boiler which achieves an annual fuel utilization efficiency rate of not less than 90.

“(E) QUALIFIED OIL FURNACES.—The term ‘qualified oil furnace’ means any oil furnace which achieves an annual fuel utilization efficiency rate of not less than 90.

“(F) QUALIFIED OIL HOT WATER BOILER.—The term ‘qualified oil hot water boiler’ means any oil hot water boiler which achieves an annual fuel utilization efficiency rate of not less than 90.”.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to expenditures made after December 31, 2007.

SEC. 502. EXTENSION AND MODIFICATION OF TAX CREDIT FOR ENERGY EFFICIENT NEW HOMES.

(a) EXTENSION OF CREDIT.—Subsection (g) of section 45L (relating to termination) is amended by striking “December 31, 2008” and inserting “December 31, 2010”.

(b) ALLOWANCE FOR CONTRACTOR’S PERSONAL RESIDENCE.—Subparagraph (B) of section 45L(a)(1) is amended to read as follows:

“(B)(i) acquired by a person from such eligible contractor and used by any person as a residence during the taxable year, or

“(ii) used by such eligible contractor as a residence during the taxable year.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to homes acquired after December 31, 2008.

SEC. 503. EXTENSION AND MODIFICATION OF ENERGY EFFICIENT COMMERCIAL BUILDINGS DEDUCTION.

(a) EXTENSION.—Section 179D(h) (relating to termination) is amended by striking “December 31, 2008” and inserting “December 31, 2009”.

(b) ADJUSTMENT OF MAXIMUM DEDUCTION AMOUNT.—

(1) IN GENERAL.—Subparagraph (A) of section 179D(b)(1) (relating to maximum amount of deduction) is amended by striking “\$1.80” and inserting “\$2.25”.

(2) PARTIAL ALLOWANCE.—Paragraph (1) of section 179D(d) is amended—

(A) by striking “\$.60” and inserting “\$.75”, and

(B) by striking “\$1.80” and inserting “\$2.25”.

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

SEC. 504. MODIFICATION AND EXTENSION OF ENERGY EFFICIENT APPLIANCE CREDIT FOR APPLIANCES PRODUCED AFTER 2007.

(a) IN GENERAL.—Subsection (b) of section 45M (relating to applicable amount) is amended to read as follows:

“(b) APPLICABLE AMOUNT.—For purposes of subsection (a)—

“(1) DISHWASHERS.—The applicable amount is—

“(A) \$45 in the case of a dishwasher which is manufactured in calendar year 2008 or 2009 and which uses no more than 324 kilowatt hours per year and 5.8 gallons per cycle, and

“(B) \$75 in the case of a dishwasher which is manufactured in calendar year 2008, 2009, or 2010 and which uses no more than 307 kilowatt hours per year and 5.0 gallons per cycle (5.5 gallons per cycle for dishwashers designed for greater than 12 place settings).

“(2) CLOTHES WASHERS.—The applicable amount is—

“(A) \$75 in the case of a residential top-loading clothes washer manufactured in calendar year 2008 which meets or exceeds a 1.72 modified energy factor and does not exceed a 8.0 water consumption factor,

“(B) \$125 in the case of a residential top-loading clothes washer manufactured in calendar year 2008 or 2009 which meets or exceeds a 1.8 modified energy factor and does not exceed a 7.5 water consumption factor,

“(C) \$150 in the case of a residential or commercial clothes washer manufactured in calendar year 2008, 2009, or 2010 which meets or exceeds 2.0 modified energy factor and does not exceed a 6.0 water consumption factor, and

“(D) \$250 in the case of a residential or commercial clothes washer manufactured in calendar year 2008, 2009, or 2010 which meets or exceeds 2.2 modified energy factor and does not exceed a 4.5 water consumption factor.

“(3) REFRIGERATORS.—The applicable amount is—

“(A) \$50 in the case of a refrigerator which is manufactured in calendar year 2008, and consumes at least 20 percent but not more than 22.9 percent less kilowatt hours per year than the 2001 energy conservation standards,

“(B) \$75 in the case of a refrigerator which is manufactured in calendar year 2008 or 2009, and consumes at least 23 percent but not more than 24.9 percent less kilowatt hours per year than the 2001 energy conservation standards,

“(C) \$100 in the case of a refrigerator which is manufactured in calendar year 2008, 2009, or 2010, and consumes at least 25 percent but not more than 29.9 percent less kilowatt hours per year than the 2001 energy conservation standards, and

“(D) \$200 in the case of a refrigerator manufactured in calendar year 2008, 2009, or 2010 and which consumes at least 30 percent less energy than the 2001 energy conservation standards.”.

(b) ELIGIBLE PRODUCTION.—

(1) SIMILAR TREATMENT FOR ALL APPLIANCES.—Subsection (c) of section 45M (relating to eligible production) is amended—

(A) by striking paragraph (2),

(B) by striking “(1) IN GENERAL” and all that follows through “the eligible” and inserting “The eligible”, and

(C) by moving the text of such subsection in line with the subsection heading and redesignating subparagraphs (A) and (B) as paragraphs (1) and (2), respectively.

(2) MODIFICATION OF BASE PERIOD.—Paragraph (2) of section 45M(c), as amended by paragraph (1) of this section, is amended by striking “3-calendar year” and inserting “2-calendar year”.

(c) TYPES OF ENERGY EFFICIENT APPLIANCES.—Subsection (d) of section 45M (defining types of energy efficient appliances) is amended to read as follows:

“(d) TYPES OF ENERGY EFFICIENT APPLIANCE.—For purposes of this section, the types of energy efficient appliances are—

“(1) dishwashers described in subsection (b)(1),

“(2) clothes washers described in subsection (b)(2), and

“(3) refrigerators described in subsection (b)(3).”.

(d) AGGREGATE CREDIT AMOUNT ALLOWED.—

(1) INCREASE IN LIMIT.—Paragraph (1) of section 45M(e) (relating to aggregate credit amount allowed) is amended to read as follows:

“(1) AGGREGATE CREDIT AMOUNT ALLOWED.—The aggregate amount of credit allowed under subsection (a) with respect to a taxpayer for any taxable year shall not exceed \$75,000,000 reduced by the amount of the credit allowed under subsection (a) to the taxpayer (or any predecessor) for all prior taxable years beginning after December 31, 2007.”.

(2) EXCEPTION FOR CERTAIN REFRIGERATOR AND CLOTHES WASHERS.—Paragraph (2) of section 45M(e) is amended to read as follows:

“(2) AMOUNT ALLOWED FOR CERTAIN REFRIGERATORS AND CLOTHES WASHERS.—Refrigerators described in subsection (b)(3)(D) and clothes washers described in subsection (b)(2)(D) shall not be taken into account under paragraph (1).”.

(e) QUALIFIED ENERGY EFFICIENT APPLIANCES.—

(1) IN GENERAL.—Paragraph (1) of section 45M(f) (defining qualified energy efficient appliance) is amended to read as follows:

“(1) QUALIFIED ENERGY EFFICIENT APPLIANCE.—The term ‘qualified energy efficient appliance’ means—

“(A) any dishwasher described in subsection (b)(1),

“(B) any clothes washer described in subsection (b)(2), and

“(C) any refrigerator described in subsection (b)(3).”.

(2) CLOTHES WASHER.—Section 45M(f)(3) (defining clothes washer) is amended by inserting “commercial” before “residential” the second place it appears.

(3) TOP-LOADING CLOTHES WASHER.—Subsection (f) of section 45M (relating to definitions) is amended by redesignating paragraphs (4), (5), (6), and (7) as paragraphs (5), (6), (7), and (8), respectively, and by inserting after paragraph (3) the following new paragraph:

“(4) TOP-LOADING CLOTHES WASHER.—The term ‘top-loading clothes washer’ means a clothes washer which has the clothes container compartment access located on the top of the machine and which operates on a vertical axis.”.

(4) REPLACEMENT OF ENERGY FACTOR.—Section 45M(f)(6), as redesignated by paragraph (3), is amended to read as follows:

“(6) MODIFIED ENERGY FACTOR.—The term ‘modified energy factor’ means the modified energy factor established by the Department of Energy for compliance with the Federal energy conservation standard.”.

(5) GALLONS PER CYCLE; WATER CONSUMPTION FACTOR.—Section 45M(f) (relating to definitions), as amended by paragraph (3), is amended by adding at the end the following:

“(9) GALLONS PER CYCLE.—The term ‘gallons per cycle’ means, with respect to a dishwasher, the amount of water, expressed in gallons, required to complete a normal cycle of a dishwasher.

“(10) WATER CONSUMPTION FACTOR.—The term ‘water consumption factor’ means, with respect to a clothes washer, the quotient of the total weighted per-cycle water consumption divided by the cubic foot (or liter) capacity of the clothes washer.”.

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to appliances produced after December 31, 2007.

TITLE VI—EXTENSION OF ALTERNATIVE FUELS AND MARGINAL PRODUCTION

SEC. 601. PERCENTAGE DEPLETION FOR MARGINAL WELL PRODUCTION.

(a) IN GENERAL.—Section 613A(c)(6)(H) (relating to temporary suspension of taxable income limit with respect to marginal production) is amended by striking “January 1, 2008” and inserting “January 1, 2010”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2007.

SEC. 602. CREDITS FOR BIODIESEL AND RENEWABLE DIESEL.

(a) IN GENERAL.—Sections 40A(g), 6426(c)(6), and 6427(e)(5)(B) are each amended by striking “December 31, 2008” and inserting “December 31, 2009”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to fuel produced, and sold or used, after December 31, 2008.

SEC. 603. CREDIT FOR ALTERNATIVE FUELS.

(a) IN GENERAL.—Sections 6426(d)(4), 6426(e)(3), and 6427(e)(5)(C) are each amended by striking “September 30, 2009” and inserting “December 31, 2009”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to fuel produced, and sold or used, after September 30, 2009.

TITLE VII—TAX ADMINISTRATION

SEC. 701. PERMANENT AUTHORITY FOR UNDERCOVER OPERATIONS.

(a) IN GENERAL.—Section 7608(c) (relating to rules relating to undercover operations) is amended by striking paragraph (6).

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to oper-

ations conducted after the date of the enactment of this Act.

SEC. 702. PERMANENT DISCLOSURES OF CERTAIN TAX RETURN INFORMATION.

(a) DISCLOSURES TO FACILITATE COMBINED EMPLOYMENT TAX REPORTING.—

(1) IN GENERAL.—Section 6103(d)(5) (relating to disclosure for combined employment tax reporting) is amended—

(A) by striking “REPORTING” in the heading thereof and all that follows through “The Secretary” in subparagraph (A) and inserting “REPORTING.—The Secretary”, and

(B) by striking subparagraph (B).

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to disclosures after the date of the enactment of this Act.

(b) DISCLOSURES RELATING TO CERTAIN PROGRAMS ADMINISTERED BY THE DEPARTMENT OF VETERANS AFFAIRS.—

(1) IN GENERAL.—Section 6103(l)(7)(D) (relating to programs to which rule applies) is amended by striking the last sentence.

(2) TECHNICAL AMENDMENT.—Section 6103(l)(7)(D)(viii)(III) is amended by striking “sections 1710(a)(1)(I), 1710(a)(2), 1710(b), and 1712(a)(2)(B)” and inserting “sections 1710(a)(2)(G), 1710(a)(3), and 1710(b)”.

SEC. 703. DISCLOSURE OF INFORMATION RELATING TO TERRORIST ACTIVITIES.

(a) DISCLOSURE OF RETURN INFORMATION TO APPRISE APPROPRIATE OFFICIALS OF TERRORIST ACTIVITIES.—Clause (iv) of section 6103(i)(3)(C) (relating to termination) is amended by striking “December 31, 2007” and inserting “December 31, 2009”.

(b) DISCLOSURE UPON REQUEST OF INFORMATION RELATING TO TERRORIST ACTIVITIES.—Subparagraph (E) of section 6103(i)(7) (relating to termination) is amended by striking “December 31, 2007” and inserting “December 31, 2009”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to disclosures after the date of the enactment of this Act.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 588—HONORING DR. FENG SHAN HO, A MAN OF GREAT COURAGE AND HUMANITY, WHO SAVED THE LIVES OF THOUSANDS OF AUSTRIAN JEWS BETWEEN 1938 AND 1940

Mr. HATCH (for himself, Mrs. FEINSTEIN, Mr. BARRASSO, Mrs. BOXER, Mr. BENNETT, Mr. LEVIN, Mr. COLEMAN, Mr. LIEBERMAN, Mr. KYL, Ms. COLLINS, Mr. ISAKSON, Mr. SPECTER, and Mr. VOINOVICH) submitted the following resolution; which was considered and agreed to:

S. RES. 588

Whereas, at great personal risk and sacrifice, Dr. Feng Shan Ho authorized the issuance of Chinese visas to Jewish persons so they could emigrate from Austria and escape the horrors of the Holocaust;

Whereas it is necessary to honor Dr. Ho posthumously because, in the ultimate demonstration of selfless humanitarianism, Dr. Ho never sought recognition for his courageous actions;

Whereas 70 years ago, Adolf Hitler's troops crossed into Austria and announced the Anschluss (the annexation of Austria to Germany), thereby applying all anti-Semitic decrees to Austrian Jews;

Whereas the Nazis brutally persecuted more than 200,000 Austrian Jews, by forcibly