

**(d) Carryover of excess contributions**

If the amount of the deduction determined under subsection (a) for the taxable year (without regard to the limitation imposed by subsection (b)) with respect to a trust exceeds the limitation imposed by subsection (b) for the taxable year, the excess shall be carried over to the succeeding taxable year and treated as contributed to the trust during that year.

**(e) Definition of black lung benefit claim**

For purposes of this section, the term “black lung benefit claim” means a claim for compensation for disability or death due to pneumoconiosis under part C of title IV of the Federal Mine Safety and Health Act of 1977 or under any State law providing for such compensation.

(Added Pub. L. 95-227, §4(b)(1), Feb. 10, 1978, 92 Stat. 16; amended Pub. L. 95-488, §1(a)-(c), Oct. 20, 1978, 92 Stat. 1637; Pub. L. 96-222, title I, §108(b)(2)(B), Apr. 1, 1980, 94 Stat. 226; Pub. L. 102-486, title XIX, §1940(c), Oct. 24, 1992, 106 Stat. 3035.)

**Editorial Notes**

## REFERENCES IN TEXT

The Federal Mine Safety and Health Act of 1977, referred to in subsec. (e), is Pub. L. 95-173, Dec. 30, 1969, 83 Stat. 742, as amended by Pub. L. 95-164, Nov. 9, 1977, 91 Stat. 1290. Part C of title IV of the Federal Mine Safety and Health Act of 1977 is classified generally to part C of subchapter IV of chapter 22 (§931 et seq.) of Title 30, Mineral Lands and Mining. For complete classification of this Act to the Code, see Short Title note set out under section 801 of Title 30 and Tables.

## AMENDMENTS

1992—Subsec. (c)(4). Pub. L. 102-486 substituted “subclause (II) of section 501(c)(21)(A)(ii)” for “clause (ii) of section 501(c)(21)(B)”.

1980—Subsec. (e). Pub. L. 96-222 substituted “Federal Mine Safety and Health Act of 1977” for “Federal Coal Mine Health and Safety Act of 1969”.

1978—Subsec. (b). Pub. L. 95-488, §1(a), substituted provision limiting the allowable deduction to the greater of the amount necessary to fund the remaining unfunded liability of the taxpayer for the black lung claims filed or expected to be filed by past or present employees of the taxpayer or the aggregate amount necessary to increase each trust described in section 501(c)(21) to the amount required to pay all amounts payable out of such trust for the taxable year for provision limiting the allowable deduction to the amount necessary, when added to the fair market value of trust assets at the beginning of the taxable year, to fund the greater of current year obligations or certain future obligations.

Subsec. (c)(1). Pub. L. 95-488, §1(b), substituted “Method of determining amounts referred to in subsection (b)” for “Determination of expected future payments” in heading and in text inserted provisions establishing the funding period as the greater of the average remaining working life of miners who are present employees of the taxpayer or 10 taxable years and permitting a different funding period if prescribed or consented to by the Secretary.

Subsec. (c)(5). Pub. L. 95-488, §1(c), added par. (5).

**Statutory Notes and Related Subsidiaries**

## EFFECTIVE DATE OF 1992 AMENDMENT

Pub. L. 102-486, title XIX, §1940(d), Oct. 24, 1992, 106 Stat. 3035, provided that: “The amendments made by this section [amending this section and sections 501 and

4951 of this title] shall apply to taxable years beginning after December 31, 1991.”

## EFFECTIVE DATE OF 1980 AMENDMENT

Pub. L. 96-222, title I, §108(b)(4), Apr. 1, 1980, 94 Stat. 226, provided that: “Any amendment made by this subsection [amending this section, sections 6503, 6511, 6862, 7422, and 7454 of this title, and sections 934 and 934a of Title 30, Mineral Lands and Mining] shall take effect as if included in the provision of the Black Lung Benefits Revenue Act of 1977 [see Short Title of 1978 Amendments note set out under section 1 of this title] to which such amendment relates.”

## EFFECTIVE DATE OF 1978 AMENDMENT

Pub. L. 95-488, §1(e), Oct. 20, 1978, 92 Stat. 1638, as amended by Pub. L. 99-514, §2, Oct. 22, 1986, 100 Stat. 2095, provided that: “The amendments made by this section [amending this section and section 6104 of this title] shall apply to taxable years beginning after December 31, 1977. Nothing in the amendments made by subsection (d) to section 6104 of the Internal Revenue Code of 1986 [formerly I.R.C. 1954] shall be construed to permit the disclosure under such section 6104 of confidential business information of contributors to any trust described in section 501(c)(21) of such Code.”

## EFFECTIVE DATE

Pub. L. 95-227, §4(f), Feb. 10, 1978, 92 Stat. 24, provided that: “The amendments made by this section [enacting this section and sections 4951 to 4953 and amending sections 501, 4946, 6104, 6213, 6405, 6501, 6503, and 7451 of this title] shall apply with respect to contributions, acts, and expenditures made after December 31, 1977, in and for taxable years beginning after such date.”

**§ 193. Tertiary injectants****(a) Allowance of deduction**

There shall be allowed as a deduction for the taxable year an amount equal to the qualified tertiary injectant expenses of the taxpayer for tertiary injectants injected during such taxable year.

**(b) Qualified tertiary injectant expenses**

For purposes of this section—

**(1) In general**

The term “qualified tertiary injectant expenses” means any cost paid or incurred (whether or not chargeable to capital account) for any tertiary injectant (other than a hydrocarbon injectant which is recoverable) which is used as a part of a tertiary recovery method.

**(2) Hydrocarbon injectant**

The term “hydrocarbon injectant” includes natural gas, crude oil, and any other injectant which is comprised of more than an insignificant amount of natural gas or crude oil. The term does not include any tertiary injectant which is hydrocarbon-based, or a hydrocarbon-derivative, and which is comprised of no more than an insignificant amount of natural gas or crude oil. For purposes of this paragraph, that portion of a hydrocarbon injectant which is not a hydrocarbon shall not be treated as a hydrocarbon injectant.

**(3) Tertiary recovery method**

The term “tertiary recovery method” means—

(A) any method which is described in subparagraphs (1) through (9) of section 212.78(c)

of the June 1979 energy regulations (as defined by section 4996(b)(8)(C) as in effect before its repeal), or

(B) any other method to provide tertiary enhanced recovery which is approved by the Secretary for purposes of this section.

**(c) Application with other deductions**

No deduction shall be allowed under subsection (a) with respect to any expenditure—

(1) with respect to which the taxpayer has made an election under section 263(c), or

(2) with respect to which a deduction is allowed or allowable to the taxpayer under any other provision of this chapter.

(Added Pub. L. 96-223, title II, §251(a)(1), Apr. 2, 1980, 94 Stat. 286; amended Pub. L. 97-448, title II, §202(b), Jan. 12, 1983, 96 Stat. 2396; Pub. L. 100-418, title I, §1941(b)(7), Aug. 23, 1988, 102 Stat. 1324.)

**Editorial Notes**

REFERENCES IN TEXT

Section 4996(b)(8)(C), referred to in subsec. (b)(3)(A), was repealed by Pub. L. 100-418, title I, §1941(a), Aug. 23, 1988, 102 Stat. 1322.

AMENDMENTS

1988—Subsec. (b)(3)(A). Pub. L. 100-418 substituted “section 4996(b)(8)(C) as in effect before its repeal” for “section 4996(b)(8)(C)”.

1983—Subsec. (b)(1). Pub. L. 97-448 struck out “during the taxable year” after “any cost paid or incurred”.

**Statutory Notes and Related Subsidiaries**

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100-418 applicable to crude oil removed from the premises on or after Aug. 23, 1988, see section 1941(c) of Pub. L. 100-418, set out as a note under section 164 of this title.

EFFECTIVE DATE OF 1983 AMENDMENT

Amendment by Pub. L. 97-448 effective, except as otherwise provided, as if it had been included in the provision of the Crude Oil Windfall Profit Tax Act of 1980, Pub. L. 96-223, to which such amendment relates, see section 203(a) of Pub. L. 97-448, set out as a note under section 6652 of this title.

EFFECTIVE DATE

Pub. L. 96-223, title II, §251(b), Apr. 2, 1980, 94 Stat. 287, provided that: “The amendments made by this section [enacting this section and amending sections 263, 1245, and 1250 of this title] shall apply to taxable years beginning after December 31, 1979.”

**§ 194. Treatment of reforestation expenditures**

**(a) Allowance of deduction**

In the case of any qualified timber property with respect to which the taxpayer has made (in accordance with regulations prescribed by the Secretary) an election under this subsection, the taxpayer shall be entitled to a deduction with respect to the amortization of the amortizable basis of qualified timber property based on a period of 84 months. Such amortization deduction shall be an amount, with respect to each month of such period within the taxable year, equal to the amortizable basis at the end of such month divided by the number of months (including the month for which the deduction is computed) re-

maining in the period. Such amortizable basis at the end of the month shall be computed without regard to the amortization deduction for such month. The 84-month period shall begin on the first day of the first month of the second half of the taxable year in which the amortizable basis is acquired.

**(b) Treatment as expenses**

**(1) Election to treat certain reforestation expenditures as expenses**

**(A) In general**

In the case of any qualified timber property with respect to which the taxpayer has made (in accordance with regulations prescribed by the Secretary) an election under this subsection, the taxpayer shall treat reforestation expenditures which are paid or incurred during the taxable year with respect to such property as an expense which is not chargeable to capital account. The reforestation expenditures so treated shall be allowed as a deduction.

**(B) Dollar limitation**

The aggregate amount of reforestation expenditures which may be taken into account under subparagraph (A) with respect to each qualified timber property for any taxable year shall not exceed—

(i) except as provided in clause (ii) or (iii), \$10,000,

(ii) in the case of a separate return by a married individual (as defined in section 7703), \$5,000, and

(iii) in the case of a trust, zero.

**(2) Allocation of dollar limit**

**(A) Controlled group**

For purposes of applying the dollar limitation under paragraph (1)(B)—

(i) all component members of a controlled group shall be treated as one taxpayer, and

(ii) the Secretary shall, under regulations prescribed by him, apportion such dollar limitation among the component members of such controlled group.

For purposes of the preceding sentence, the term “controlled group” has the meaning assigned to it by section 1563(a), except that the phrase “more than 50 percent” shall be substituted for the phrase “at least 80 percent” each place it appears in section 1563(a)(1).

**(B) Partnerships and S corporations**

In the case of a partnership, the dollar limitation contained in paragraph (1)(B) shall apply with respect to the partnership and with respect to each partner. A similar rule shall apply in the case of an S corporation and its shareholders.

**(c) Definitions and special rule**

For purposes of this section—

**(1) Qualified timber property**

The term “qualified timber property” means a woodlot or other site located in the United States which will contain trees in significant commercial quantities and which is held by