

104<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# S. 108

To amend the Internal Revenue Code of 1986 to allow the energy investment credit for solar energy and geothermal property against the entire regular tax and the alternative minimum tax.

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IN THE SENATE OF THE UNITED STATES

JANUARY 4, 1995

Mr. DASCHLE (for himself and Mr. JEFFORDS) introduced the following bill;  
which was read twice and referred to the Committee on Finance

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## A BILL

To amend the Internal Revenue Code of 1986 to allow the energy investment credit for solar energy and geothermal property against the entire regular tax and the alternative minimum tax.

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. CHANGES RELATING TO ENERGY CREDIT.**

4       (a) ENERGY CREDIT ALLOWABLE AGAINST ENTIRE  
5       REGULAR TAX AND ALTERNATIVE MINIMUM TAX.—

6               (1) Subsection (c) of section 38 of the Internal  
7       Revenue Code of 1986 (relating to limitation based  
8       on amount of tax) is amended by redesignating

1 paragraph (3) as paragraph (4) and adding after  
2 paragraph (2) the following new paragraph:

3 “(3) SPECIAL RULES FOR ENERGY CREDIT.—

4 “(A) IN GENERAL.—In the case of a C  
5 corporation—

6 “(i) this section and section 39 shall  
7 be applied separately with respect to the  
8 energy credit, and

9 “(ii) in applying paragraph (1) to  
10 such credit—

11 “(I) subparagraph (A) of para-  
12 graph (1) shall not apply, and

13 “(II) the limitation under para-  
14 graph (1) (as modified by subclause  
15 (I)) shall be reduced by the credit al-  
16 lowed under subsection (a) for the  
17 taxable year (other than the energy  
18 credit).

19 “(B) ENERGY CREDIT.—For purposes of  
20 this paragraph and paragraph (2), the term  
21 ‘energy credit’ means the credit allowable under  
22 subsection (a) by reason of section 48(a).”

23 (2) Subclause (II) of section 38(c)(2)(A)(ii) of  
24 such Code is amended by inserting “or the energy  
25 credit” after “employment credit”.

1       (b) EFFECTIVE DATE.—The amendment made by  
2 this section shall apply to taxable years beginning after  
3 December 31, 1994.

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