

107TH CONGRESS
1ST SESSION

H. R. 610

To amend the Internal Revenue Code of 1986 to allow individuals a refundable credit for a portion of the amount paid for natural gas.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 14, 2001

Mr. RUSH (for himself, Mr. BLAGOJEVICH, Mr. COSTELLO, Mr. DAVIS of Illinois, Mr. EVANS, Mr. GUTIERREZ, Mr. JACKSON of Illinois, Mr. LIPINSKI, Ms. SCHAKOWSKY, and Mr. SHIMKUS) 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 allow individuals a refundable credit for a portion of the amount paid for natural gas.

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 “Middle Income Home
5 Heating Assistance Act of 2001”.

6 **SEC. 2. REFUNDABLE CREDIT FOR HIGH NATURAL GAS**
7 **COSTS.**

8 (a) IN GENERAL.—Subpart C of part IV of sub-
9 chapter A of chapter 1 of the Internal Revenue Code of

1 1986 (relating to refundable credits) is amended by redese-
2 ignating section 35 as section 36 and by inserting after
3 section 34 the following new section:

4 **“SEC. 35. CREDIT FOR HIGH NATURAL GAS COSTS.**

5 “(a) IN GENERAL.—In the case of an individual,
6 there shall be allowed as a credit against the tax imposed
7 by this subtitle for the taxable year an amount equal to
8 the excess (if any) of—

9 “(1) the amount paid for natural gas to heat
10 the principal residence (within the meaning of sec-
11 tion 121) of the taxpayer for the taxable year, over

12 “(2) 150 percent of the average annual amount
13 paid for natural gas to heat such residence for the
14 testing period.

15 “(b) LIMITATIONS.—

16 “(1) MAXIMUM CREDIT.—The amount allowed
17 as a credit under subsection (a) for a taxable year
18 shall not exceed \$500.

19 “(2) PHASE-OUT.—The amount of the credit al-
20 lowable under subsection (a) shall be reduced by an
21 amount which bears the same ratio to the amount
22 of the credit (determined without regard to this
23 paragraph) as—

24 “(A) the amount by which the modified ad-
25 justed gross income of the taxpayer for the tax-

1 able year exceeds 150 percent of the poverty
2 level (as defined by the Office of Management
3 and Budget), bears to

4 “(B) the phaseout range for the taxable
5 year.

6 “(c) DEFINITIONS AND SPECIAL RULE.—For pur-
7 poses of this section—

8 “(1) TESTING PERIOD.—The testing period is
9 the 3-taxable year period immediately preceding the
10 taxable year for which the credit is claimed.

11 “(2) PHASEOUT RANGE.—For purposes of
12 paragraph (2)(B), the phaseout range for the tax-
13 able year shall be the amount equal to 300 percent
14 of poverty level.

15 “(3) POVERTY LEVEL.—For purposes of this
16 subsection, the poverty level shall take into account
17 the number of children who are dependents of the
18 taxpayer and shall be determined in accordance with
19 criteria established by the Director of the Office of
20 Management and Budget.

21 “(4) MODIFIED ADJUSTED GROSS INCOME.—
22 The term ‘modified adjusted gross income’ shall
23 have the meaning given to such term by section
24 32(c)(5).

1 “(5) PRICE OF GAS DETERMINED ON A PER
2 THERM BASIS.—For purposes of this section, the
3 amount paid for natural gas shall be determined on
4 a per therm basis and shall not include any amount
5 paid for taxes.

6 “(d) AMOUNT OF CREDIT TO BE DETERMINED
7 UNDER TABLES.—

8 “(1) IN GENERAL.—The amount of the credit
9 allowed by this section shall be determined under ta-
10 bles prescribed by the Secretary.

11 “(2) REQUIREMENTS FOR TABLES.—The tables
12 prescribed under paragraph (1) shall reflect the pro-
13 visions of subsections (a) and (b) and shall state the
14 poverty levels for taxpayers who are single, married,
15 and have up to 10 dependents (not counting the
16 spouse).”.

17 (b) TECHNICAL AMENDMENTS.—

18 (1) Paragraph (2) of section 1324(b) of title
19 31, United States Code, is amended by inserting “or
20 from section 35 of such Code” before the period at
21 the end.

22 (2) The table of sections for such subpart C of
23 the Internal Revenue Code of 1986 is amended by
24 striking the item relating to section 35 and inserting
25 the following new items:

