

107TH CONGRESS  
1ST SESSION

# S. 1082

To amend the Internal Revenue Code of 1986 to expand the expensing of environmental remediation costs.

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IN THE SENATE OF THE UNITED STATES

JUNE 21, 2001

Mr. TORRICELLI (for himself and Mr. DAYTON) 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 expand the expensing of environmental remediation costs.

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. EXPANSION OF EXPENSING OF ENVIRON-**  
4 **MENTAL REMEDIATION COSTS.**

5 (a) PROVISION MADE PERMANENT.—Section 198 of  
6 the Internal Revenue Code of 1986 (relating to expensing  
7 of environmental remediation costs) is amended by strik-  
8 ing subsection (h).

9 (b) EXPANSION OF ELIGIBLE CONTAMINATES.—

1           (1) IN GENERAL.—Section 198(c)(1)(B) of the  
2 Internal Revenue Code of 1986 (defining qualified  
3 contaminated site) is amended by striking “haz-  
4 arduous substance” and inserting “hazardous or toxic  
5 substance, or in which is located 1 or more struc-  
6 tures in which such substance is found or of which  
7 such substance is a part”.

8           (2) HAZARDOUS OR TOXIC SUBSTANCE.—Sec-  
9 tion 198(d)(1) of such Code (defining hazardous  
10 substance) is amended—

11                   (A) by inserting “or toxic” after “haz-  
12 arduous” in the matter preceding subparagraph  
13 (A),

14                   (B) by striking “and” at the end of sub-  
15 paragraph (A),

16                   (C) by striking the period at the end of  
17 subparagraph (B) and inserting a comma, and

18                   (D) by adding at the end the following new  
19 subparagraphs:

20                           “(C) any substance which is listed as an  
21 extremely hazardous substance under section  
22 302(a) of the Emergency Planning and Com-  
23 munity Right-to-Know Act of 1986, and

24                           “(D) asbestos (whether friable or non-fri-  
25 able), oil (as defined in section 1001(23) of the

1 Oil Pollution Act of 1990), pesticide (as defined  
2 in section 2(u) of the Federal Insecticide, Fun-  
3 gicide, and Rodenticide Act), radon, and lead-  
4 based paint (as defined in Lead: Requirements  
5 for Disclosure of Known Lead-Based Paint and/  
6 or Lead-Based Paint Hazards in Housing (61  
7 Fed. Reg. 9062)).”.

8 (3) CONFORMING AMENDMENTS.—

9 (A) Section 198(b)(2) of such Code is  
10 amended by inserting “or toxic” after “haz-  
11 ardous’.

12 (B) Section 198(d)(2) of such Code is  
13 amended by striking “of such Act” and all that  
14 follows and inserting “of the Comprehensive  
15 Environmental Response, Compensation, and  
16 Liability Act of 1980 by reason of subpara-  
17 graph (A) or (C) of subsection (a)(3) thereof.”.

18 (C) The heading for section 198(d) of such  
19 Code is amended by inserting “OR TOXIC” after  
20 “HAZARDOUS”.

21 (c) ELIMINATION OF RECAPTURE ON SALE.—Section  
22 198 of the Internal Revenue Code of 1986 is amended by  
23 striking subsection (e) and by redesignating subsections  
24 (f) and (g) as subsections (e) and (f), respectively.

1       (d) EFFECTIVE DATE.—The amendments made by  
2 this section shall apply to expenditures paid or incurred  
3 after the date of the enactment of this Act, in taxable  
4 years ending after such date.

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