

107TH CONGRESS
1ST SESSION

S. 756

To amend the Internal Revenue Code of 1986 to extend and modify the credit for electricity produced from biomass, and for other purposes.

IN THE SENATE OF THE UNITED STATES

APRIL 23, 2001

Mr. GRASSLEY introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to extend and modify the credit for electricity produced from biomass, and for other purposes.

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 “Growing Renewable
5 Energy for Emerging Needs (GREEN) Act”.

6 **SEC. 2. CREDIT FOR ELECTRICITY PRODUCED FROM BIO-**
7 **MASS.**

8 (a) EXTENSION AND MODIFICATION OF PLACED-IN-
9 SERVICE RULES.—Paragraph (3) of section 45(c) of the
10 Internal Revenue Code of 1986 is amended—

1 (1) by striking subparagraph (B) and inserting
2 the following new subparagraph:

3 “(B) CLOSED-LOOP BIOMASS FACILITY.—

4 In the case of a facility using closed-loop bio-
5 mass to produce electricity, the term ‘qualified
6 facility’ means any facility—

7 “(i) owned by the taxpayer which is
8 originally placed in service after December
9 31, 1992, and before January 1, 2007, or

10 “(ii) of the taxpayer which is origi-
11 nally placed in service before December 31,
12 1992, and modified to use closed-loop bio-
13 mass to co-fire with coal before January 1,
14 2007.”,

15 (2) by striking “2002” in subparagraph (C)
16 and inserting “2007”, and

17 (3) by adding at the end the following new sub-
18 paragraphs:

19 “(D) BIOMASS FACILITIES.—In the case of
20 a facility using biomass (other than closed-loop
21 biomass) to produce electricity, the term ‘quali-
22 fied facility’ means any facility owned by the
23 taxpayer which is originally placed in service be-
24 fore January 1, 2007.

1 “(E) SPECIAL RULES.—In the case of a
2 qualified facility described in subparagraph
3 (B)(ii) or (D)—

4 “(i) the 10-year period referred to in
5 subsection (a) shall be treated as beginning
6 no earlier than the date of the enactment
7 of this paragraph, and

8 “(ii) subsection (b)(3) shall not apply
9 to any such facility originally placed in
10 service before January 1, 1997.”.

11 (b) BIOMASS FACILITIES.—

12 (1) IN GENERAL.—Section 45(c)(1) of the In-
13 ternal Revenue Code of 1986 (defining qualified en-
14 ergy resources) is amended—

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

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

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

21 “(D) biomass (other than closed-loop bio-
22 mass).”.

23 (2) BIOMASS DEFINED.—Section 45(c) of such
24 Code (relating to definitions) is amended by adding
25 at the end the following new paragraph:

1 “(5) BIOMASS.—The term ‘biomass’ means any
2 solid, nonhazardous, cellulosic waste material which
3 is segregated from other waste materials and which
4 is derived from—

5 “(A) any of the following forest-related re-
6 sources: mill residues, precommercial thinnings,
7 slash, and brush, but not including old-growth
8 timber,

9 “(B) solid wood waste materials, including
10 waste pallets, crates, dunnage, manufacturing
11 and construction wood wastes (other than pres-
12 sure-treated, chemically-treated, or painted
13 wood wastes), and landscape or right-of-way
14 tree trimmings, but not including municipal
15 solid waste (garbage), gas derived from the bio-
16 degradation of solid waste, or paper that is
17 commonly recycled, or

18 “(C) agriculture sources, including orchard
19 tree crops, vineyard, grain, legumes, sugar, and
20 other crop by-products or residues.”.

21 (c) EFFECTIVE DATE.—The amendments made by
22 this section shall apply to electricity produced after the
23 date of the enactment of this Act.

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