

111TH CONGRESS
1ST SESSION

H. R. 3916

To amend the Internal Revenue Code of 1986 to permanently extend and modify the section 45 credit for refined coal from steel industry fuel, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 22, 2009

Ms. SCHWARTZ (for herself and Mr. DOYLE) 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 permanently extend and modify the section 45 credit for refined coal from steel industry fuel, 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. PERMANENT EXTENSION AND MODIFICATION**
4 **OF SECTION 45 CREDIT FOR REFINED COAL**
5 **FROM STEEL INDUSTRY FUEL.**

6 (a) CREDIT PERIOD.—

7 (1) IN GENERAL.—Subclause (II) of section
8 45(e)(8)(D)(ii) of the Internal Revenue Code of

1 1986 (relating to modifications) is amended to read
2 as follows:

3 “(II) CREDIT PERIOD.—In lieu of the 10-
4 year period referred to in clauses (i) and (ii)(II)
5 of subparagraph (A), the credit period shall be
6 the period beginning on the date that the facil-
7 ity first produces steel industry fuel that is sold
8 to an unrelated person after the date of the en-
9 actment of this subclause.”.

10 (2) CONFORMING AMENDMENT.—Section
11 45(e)(8)(D) of such Code is amended by striking
12 clause (iii) and by redesignating clause (iv) as clause
13 (iii).

14 (b) EXTENSION OF PLACED-IN-SERVICE DATE.—
15 Subparagraph (A) of section 45(d)(8) of the Internal Rev-
16 enue Code of 1986 (defining refined coal production facil-
17 ity) is amended—

18 (1) by striking “(or any modification to a facil-
19 ity”), and

20 (2) by striking “2010” and inserting “2011”.

21 (c) CLARIFICATIONS.—

22 (1) STEEL INDUSTRY FUEL.—Subclause (I) of
23 section 45(e)(7)(C)(i) of the Internal Revenue Code
24 of 1986 (defining steel industry fuel) is amended by

1 inserting “, a blend of coal and petroleum coke, or
2 other coke feedstock” after “on coal”.

3 (2) OWNERSHIP INTEREST.—Section 45(d)(8)
4 of such Code (defining refined coal production facil-
5 ity) is amended by adding at the end the following
6 new flush sentence:

7 “With respect to a facility producing steel industry
8 fuel, no person (including a ground lessor, customer,
9 supplier, or technology licensor) shall be treated as
10 having an ownership interest in the facility or as
11 otherwise entitled to the credit allowable under sub-
12 section (a) with respect to such facility if such per-
13 son’s rent, license fee, or other entitlement to net
14 payments from the owner of such facility is meas-
15 ured by a fixed dollar amount or a fixed amount per
16 ton, or otherwise determined without regard to the
17 profit or loss of such facility.”.

18 (3) PRODUCTION AND SALE.—Subparagraph
19 (D) of section 45(e)(8) of such Code (relating to
20 special rule for steel industry fuel), as amended by
21 subsection (a)(2), is amended by redesignating
22 clause (iii) as clause (iv) and by inserting after
23 clause (ii) the following new clause:

24 “(iii) PRODUCTION AND SALE.—The
25 owner of a facility producing steel industry

1 fuel shall be treated as producing and sell-
2 ing steel industry fuel where that owner
3 manufactures such steel industry fuel from
4 coal, a blend of coal and petroleum coke,
5 or other coke feedstock to which is has
6 title. The sale of such steel industry fuel
7 by the owner of the facility to a person
8 who is not the owner of the facility shall
9 not fail to qualify as a sale to an unrelated
10 person solely because such purchaser may
11 also be a ground lessor, supplier, or cus-
12 tomer.”.

13 (d) SPECIFIED CREDIT FOR PURPOSES OF ALTER-
14 NATIVE MINIMUM TAX EXCLUSION.—Subclause (II) of
15 section 38(c)(4)(B)(iii) of the Internal Revenue Code of
16 1986 (relating to specified credits) is amended by insert-
17 ing “(in the case of a refined coal production facility pro-
18 ducing steel industry fuel, during the credit period set
19 forth in section 45(e)(8)(D)(ii)(II))” after “service”.

20 (e) EFFECTIVE DATES.—

21 (1) IN GENERAL.—The amendments made by
22 subsections (a), (b), and (d) shall take effect on the
23 date of the enactment of this Act.

24 (2) CLARIFICATIONS.—The amendments made
25 by subsection (c) shall take effect as if included in

1 the amendments made by the Energy Improvement
2 and Extension Act of 2008.

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