

111TH CONGRESS  
1ST SESSION

# H. R. 550

To amend the Internal Revenue Code of 1986 to allow individuals and businesses a temporary credit against income tax for the purchase of certain vehicles.

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## IN THE HOUSE OF REPRESENTATIVES

JANUARY 15, 2009

Mr. MANZULLO (for himself and Mr. UPTON) introduced the following bill;  
which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to allow individuals and businesses a temporary credit against income tax for the purchase of certain vehicles.

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 “Get America Moving  
5 Again Act of 2009”.

6 **SEC. 2. TEMPORARY CREDIT FOR PURCHASE OF PAS-**  
7 **SENGER VEHICLES.**

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

1 1986 is amended by inserting after section 30D the fol-  
2 lowing new section:

3 **“SEC. 30E. TEMPORARY CREDIT FOR PURCHASE OF PAS-**  
4 **SENGER VEHICLES.**

5 “(a) ALLOWANCE OF CREDIT.—There shall be al-  
6 lowed as a credit against the tax imposed by this chapter  
7 for the taxable year an amount equal to the purchase price  
8 of any qualified passenger vehicle placed in service by the  
9 taxpayer during the taxable year.

10 “(b) MAXIMUM CREDIT.—

11 “(1) NEW VEHICLES.—In the case of each  
12 qualified passenger vehicle the original use of which  
13 begins with the taxpayer, the credit allowed by sub-  
14 section (a) shall not exceed—

15 “(A) \$5,000 in the case of a vehicle placed  
16 in service before January 1, 2010, and

17 “(B) \$2,500 in the case of a vehicle placed  
18 in service during 2010.

19 “(2) USED VEHICLES.—In the case of each  
20 qualified passenger vehicle the original use of which  
21 does not begin with the taxpayer, the credit allowed  
22 by subsection (a) shall not exceed—

23 “(A) \$2,000 in the case of a vehicle placed  
24 in service before January 1, 2010, and

1           “(B) \$1,000 in the case of a vehicle placed  
2           in service during 2010.

3           “(c) LIMITATION BASED ON ADJUSTED GROSS IN-  
4 COME.—

5           “(1) IN GENERAL.—In the case of a natural  
6           person, the amount allowable as credit under this  
7           section (without regard to this subsection) for any  
8           taxable year shall be reduced (but not below zero) by  
9           the amount which bears the same ratio to the  
10          amount so allowable as—

11                   “(A) the excess (if any) of—

12                           “(i) the taxpayer’s modified adjusted  
13                           gross income for such taxable year, over

14                           “(ii) \$125,000 (\$250,000 in the case  
15                           of a joint return), bears to

16                           “(B) \$10,000.

17           “(2) MODIFIED ADJUSTED GROSS INCOME.—

18           For purposes of paragraph (1), the term ‘modified  
19           adjusted gross income’ means the adjusted gross in-  
20           come of the taxpayer for the taxable year increased  
21           by any amount excluded from gross income under  
22           section 911, 931, or 933.

23           “(d) QUALIFIED PASSENGER VEHICLE.—For pur-  
24           poses of this section—

1           “(1) IN GENERAL.—The term ‘qualified pas-  
2           senger vehicle’ means any motor vehicle (as defined  
3           by section 30(c)(2)) if—

4                   “(A) the model year of such vehicle is (at  
5                   the time such vehicle is placed in service by the  
6                   taxpayer) not more than 3 years earlier than  
7                   the most recent model year of such vehicle  
8                   which is available for purchase,

9                   “(B) such vehicle is acquired for use by  
10                  the taxpayer and not for resale,

11                  “(C) the amount paid by the taxpayer for  
12                  such vehicle does not exceed \$50,000, and

13                  “(D) such vehicle has a gross vehicle  
14                  weight rating of not more than 8,500 pounds.

15           “(2) DETERMINATION OF PRICE.—Rules similar  
16           to the rules of sections 4002(d) and 4003(c) shall  
17           apply.

18           “(e) APPLICATION WITH OTHER CREDITS.—

19                   “(1) BUSINESS CREDIT TREATED AS PART OF  
20                   GENERAL BUSINESS CREDIT.—So much of the credit  
21                   which would be allowed under subsection (a) for any  
22                   taxable year (determined without regard to this sub-  
23                   section) that is attributable to property of a char-  
24                   acter subject to an allowance for depreciation shall

1 be treated as a credit listed in section 38(b) for such  
2 taxable year (and not allowed under subsection (a)).

3 “(2) PERSONAL CREDIT.—

4 “(A) IN GENERAL.—For purposes of this  
5 title, the credit allowed under subsection (a) for  
6 any taxable year (determined after application  
7 of paragraph (1)) shall be treated as a credit  
8 allowable under subpart A for such taxable  
9 year.

10 “(B) LIMITATION BASED ON AMOUNT OF  
11 TAX.—In the case of a taxable year to which  
12 section 26(a)(2) does not apply, the credit al-  
13 lowed under subsection (a) for any taxable year  
14 (determined after application of paragraph (1))  
15 shall not exceed the excess of—

16 “(i) the sum of the regular tax liabil-  
17 ity (as defined in section 26(b)) plus the  
18 tax imposed by section 55, over

19 “(ii) the sum of the credits allowable  
20 under subpart A (other than this section  
21 and sections 23, 25D, and 30D) and sec-  
22 tion 27 for the taxable year.

23 “(f) SPECIAL RULES.—For purposes of this sec-  
24 tion—

1           “(1) BASIS REDUCTION.—The basis of any  
2           property for which is credit is allowed under this  
3           section shall be reduced by the amount of such cred-  
4           it.

5           “(2) PROPERTY USED OUTSIDE UNITED  
6           STATES, ETC., NOT QUALIFIED.—No credit shall be  
7           allowed under subsection (a) with respect to any  
8           property referred to in section 50(b) or with respect  
9           to the portion of the cost of any property taken into  
10          account under section 179.

11          “(g) APPLICATION OF SECTION.—This section shall  
12          apply to vehicles placed in service after the date of the  
13          enactment of this section and before January 1, 2011.”.

14          (b) CONFORMING AMENDMENTS.—

15                 (1) Paragraph (1) of section 26(a) of such Code  
16                 is amended by striking “and 30D” and inserting  
17                 “30D, and 30E”.

18                 (2) Subsection (a) of section 1016 of such Code  
19                 is amended by striking “and” at the end of para-  
20                 graph (36), by striking the period at the end of  
21                 paragraph (37) and inserting “, and”, and by add-  
22                 ing at the end the following new paragraph:

23                         “(38) to the extent provided by section  
24                         30E(f)(1).”.

1           (3) The table of sections for subpart B of part  
2           IV of subchapter A of chapter 1 of such Code is  
3           amended by inserting after the item relating to sec-  
4           tion 30D the following new item:

“Sec. 30E. Temporary credit for purchase of passenger vehicles.”.

5           (c) EFFECTIVE DATE.—The amendments made by  
6           this section shall apply to taxable years ending after the  
7           date of the enactment of this Act.

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