

112TH CONGRESS
2D SESSION

H. R. 6031

To amend the Internal Revenue Code of 1986 to extend the production and investment tax credits for wind facilities and to modify the foreign tax credit rules applicable to major integrated oil companies which are dual capacity taxpayers.

IN THE HOUSE OF REPRESENTATIVES

JUNE 27, 2012

Mr. BLUMENAUER (for himself, Mr. LEVIN, Mr. RANGEL, Mr. STARK, Mr. McDERMOTT, Mr. LEWIS of Georgia, Mr. NEAL, Mr. BECERRA, Mr. DOGGETT, Mr. THOMPSON of California, Mr. LARSON of Connecticut, Mr. KIND, Mr. PASCRELL, Ms. BERKLEY, and Mr. CROWLEY) 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 extend the production and investment tax credits for wind facilities and to modify the foreign tax credit rules applicable to major integrated oil companies which are dual capacity taxpayers.

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 “Wind Powering Amer-
5 ican Jobs Act of 2012”.

1 **SEC. 2. EXTENSION OF PRODUCTION AND INVESTMENT TAX**
2 **CREDITS FOR WIND FACILITIES.**

3 (a) EXTENSION OF PRODUCTION CREDIT.—Para-
4 graph (1) of section 45(d) of the Internal Revenue Code
5 of 1986 is amended by striking “January 1, 2013” and
6 inserting “January 1, 2014”.

7 (b) EXTENSION OF INVESTMENT CREDIT.—Clause
8 (i) of section 48(a)(5)(C) of such Code is amended by
9 striking “or 2012” and inserting “2012, or 2013”.

10 (c) EFFECTIVE DATE.—The amendments made by
11 this section shall apply to property placed in service after
12 December 31, 2012.

13 **SEC. 3. MODIFICATIONS OF FOREIGN TAX CREDIT RULES**
14 **APPLICABLE TO MAJOR INTEGRATED OIL**
15 **COMPANIES WHICH ARE DUAL CAPACITY**
16 **TAXPAYERS.**

17 (a) IN GENERAL.—Section 901 of the Internal Rev-
18 enue Code of 1986 is amended by redesignating subsection
19 (n) as subsection (o) and by inserting after subsection (m)
20 the following new subsection:

21 “(n) SPECIAL RULES RELATING TO MAJOR INTE-
22 GRATED OIL COMPANIES WHICH ARE DUAL CAPACITY
23 TAXPAYERS.—

24 “(1) GENERAL RULE.—Notwithstanding any
25 other provision of this chapter, any amount paid or
26 accrued by a dual capacity taxpayer which is a

1 major integrated oil company (as defined in section
2 167(h)(5)(B)) to a foreign country or possession of
3 the United States for any period shall not be consid-
4 ered a tax—

5 “(A) if, for such period, the foreign coun-
6 try or possession does not impose a generally
7 applicable income tax, or

8 “(B) to the extent such amount exceeds
9 the amount (determined in accordance with reg-
10 ulations) which—

11 “(i) is paid by such dual capacity tax-
12 payer pursuant to the generally applicable
13 income tax imposed by the country or pos-
14 session, or

15 “(ii) would be paid if the generally ap-
16 plicable income tax imposed by the country
17 or possession were applicable to such dual
18 capacity taxpayer.

19 Nothing in this paragraph shall be construed to
20 imply the proper treatment of any such amount not
21 in excess of the amount determined under subpara-
22 graph (B).

23 “(2) DUAL CAPACITY TAXPAYER.—For pur-
24 poses of this subsection, the term ‘dual capacity tax-

1 payer’ means, with respect to any foreign country or
2 possession of the United States, a person who—

3 “(A) is subject to a levy of such country or
4 possession, and

5 “(B) receives (or will receive) directly or
6 indirectly a specific economic benefit (as deter-
7 mined in accordance with regulations) from
8 such country or possession.

9 “(3) GENERALLY APPLICABLE INCOME TAX.—

10 For purposes of this subsection—

11 “(A) IN GENERAL.—The term ‘generally
12 applicable income tax’ means an income tax (or
13 a series of income taxes) which is generally im-
14 posed under the laws of a foreign country or
15 possession on income derived from the conduct
16 of a trade or business within such country or
17 possession.

18 “(B) EXCEPTIONS.—Such term shall not
19 include a tax unless it has substantial applica-
20 tion, by its terms and in practice, to—

21 “(i) persons who are not dual capacity
22 taxpayers, and

23 “(ii) persons who are citizens or resi-
24 dents of the foreign country or posses-
25 sion.”.

1 (b) EFFECTIVE DATE.—

2 (1) IN GENERAL.—The amendments made by
3 this section shall apply to taxes paid or accrued in
4 taxable years ending after the date of the enactment
5 of this Act.

6 (2) CONTRARY TREATY OBLIGATIONS
7 UPHELD.—The amendments made by this section
8 shall not apply to the extent contrary to any treaty
9 obligation of the United States.

○