

Calendar No. 52

114TH CONGRESS
1ST SESSION**S. 919****[Report No. 114–29]**

To exclude from gross income certain clean coal power grants to non-corporate taxpayers.

IN THE SENATE OF THE UNITED STATES

APRIL 14, 2015

Mr. HATCH, from the Committee on Finance, reported the following original bill; which was read twice and placed on the calendar

A BILL

To exclude from gross income certain clean coal power grants to non-corporate 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. EXCLUSION FROM GROSS INCOME OF CERTAIN**
4 **CLEAN COAL POWER GRANTS TO NON-COR-**
5 **PORATE TAXPAYERS.**

6 (a) GENERAL RULE.—In the case of an eligible tax-
7 payer other than a corporation, gross income for purposes

1 of the Internal Revenue Code of 1986 shall not include
2 any amount which—

3 (1) is received under section 402 of the Energy
4 Policy Act of 2005, and

5 (2) if received by a corporation, would be ex-
6 cluded from gross income under section 118 of the
7 Internal Revenue Code of 1986.

8 (b) REDUCTION IN BASIS.—The basis of any prop-
9 erty subject to the allowance for depreciation or amortiza-
10 tion under the Internal Revenue Code of 1986 which is
11 acquired with any amount to which subsection (a) applies
12 during the 12-month period beginning on the day such
13 amount is received shall be reduced by an amount equal
14 to such amount. The excess (if any) of such amount over
15 the amount of the reduction under the preceding sentence
16 shall be applied to the reduction (as of the last day of
17 the period specified in the preceding sentence) of the basis
18 of any other property held by the taxpayer. The particular
19 properties to which the reductions required by this sub-
20 section are allocated shall be determined by the Secretary
21 of the Treasury (or the Secretary's delegate) under regula-
22 tions similar to the regulations under section 362(c)(2) of
23 such Code.

24 (c) ELIGIBLE TAXPAYER.—For purposes of this sec-
25 tion, with respect to any amount received under section

1 402 of the Energy Policy Act of 2005, the term “eligible
2 taxpayer” means a taxpayer that makes a payment to the
3 Secretary of the Treasury (or the Secretary’s delegate)
4 equal to 1.18 percent of the amount so received. Such pay-
5 ment shall be made at such time and in such manner as
6 such Secretary (or the Secretary’s delegate) shall pre-
7 scribe. In the case of a partnership, such Secretary (or
8 the Secretary’s delegate) shall prescribe regulations to de-
9 termine the allocation of such payment amount among the
10 partners.

11 (d) EFFECTIVE DATE.—This section shall apply to
12 amounts received under section 402 of the Energy Policy
13 Act of 2005 in taxable years beginning after December
14 31, 2011.

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