

116TH CONGRESS
1ST SESSION

H. R. 5101

To amend the Internal Revenue Code of 1986 to extend the financing of
the Superfund.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 14, 2019

Mr. PALLONE (for himself and Mr. PASCRELL) 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 financing of the Superfund.

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 “Superfund Polluter
5 Pays Act”.

6 **SEC. 2. EXTENSION OF SUPERFUND TAXES.**

7 (a) EXCISE TAXES.—

8 (1) IN GENERAL.—Section 4611(e) of the Inter-
9 nal Revenue Code of 1986 is amended to read as fol-
10 lows:

1 “(e) APPLICATION OF HAZARDOUS SUBSTANCE
 2 SUPERFUND FINANCING RATE.—The Hazardous Sub-
 3 stance Superfund financing rate under this section shall
 4 apply after December 31, 1986, and before January 1,
 5 1996, and after the date of the enactment of this sub-
 6 section and before January 1, 2024.”.

7 (2) RATE OF TAX ADJUSTED FOR INFLATION.—

8 (A) IN GENERAL.—Section 4611(c)(2)(A)
 9 of such Code is amended by striking “9.7
 10 cents” and inserting “16.3 cents”.

11 (B) CONTINUED ADJUSTMENT FOR INFLA-
 12 TION.—Section 4611(c) of such Code is amend-
 13 ed by adding at the end the following new para-
 14 graph:

15 “(3) INFLATION ADJUSTMENT.—

16 “(A) IN GENERAL.—In the case of a cal-
 17 endar year beginning after 2019, the 16.3 cents
 18 amount in paragraph (2)(A) shall be increased
 19 by an amount equal to—

20 “(i) such dollar amount, multiplied by

21 “(ii) the cost-of-living adjustment de-
 22 termined under section 1(f)(3) for such
 23 calendar year, determined by substituting
 24 ‘calendar year 2018’ for ‘calendar year
 25 2016’ in subparagraph (A)(ii) thereof.

1 “(B) ROUNDING.—If any amount as ad-
2 justed under subparagraph (A) is not a multiple
3 of 0.1 cents, such amount shall be rounded to
4 the nearest multiple of 0.1 cents.”.

5 (3) TECHNICAL AMENDMENTS.—

6 (A) Section 4611(b) of such Code is
7 amended—

8 (i) by striking “or exported from” in
9 paragraph (1)(A),

10 (ii) by striking “or exportation” in
11 paragraph (1)(B), and

12 (iii) by striking “AND EXPORTATION”
13 in the heading.

14 (B) Section 4611(d)(3) of such Code is
15 amended—

16 (i) by striking “or exporting the crude
17 oil, as the case may be” in the text and in-
18 serting “the crude oil”, and

19 (ii) by striking “OR EXPORTS” in the
20 heading.

21 (b) CORPORATE ENVIRONMENTAL INCOME TAX.—

22 (1) Subchapter A of chapter 1 of the Internal
23 Revenue Code of 1986 is amended by adding at the
24 end the following new part:

1 **“PART VIII—ENVIRONMENTAL TAX**

“Sec. 59B. Environmental Tax.

2 **“SEC. 59B. ENVIRONMENTAL TAX.**

3 “(a) IMPOSITION OF TAX.—In the case of a corpora-
4 tion, there is hereby imposed (in addition to any other tax
5 imposed by this subtitle) a tax equal to 0.12 percent of
6 the excess of—

7 “(1) the modified environmental tax taxable in-
8 come of such corporation for the taxable year, over

9 “(2) \$3,130,000.

10 “(b) MODIFIED ENVIRONMENTAL TAX TAXABLE IN-
11 COME.—For purposes of this section, the term ‘modified
12 environmental tax taxable income’ means taxable income
13 determined without regard to—

14 “(1) the net operating loss deduction allowable
15 under section 172, and

16 “(2) the deduction allowed under section
17 164(a)(5).

18 “(c) EXCEPTION FOR RICS AND REITS.—The tax
19 imposed by subsection (a) shall not apply to—

20 “(1) a regulated investment company to which
21 part I of subchapter M applies, and

22 “(2) a real estate investment trust to which
23 part II of subchapter M applies.

24 “(d) SPECIAL RULES.—

1 “(1) SHORT TAXABLE YEARS.—The application
2 of this section to taxable years of less than 12
3 months shall be in accordance with regulations pre-
4 scribed by the Secretary.

5 “(2) SECTION 15 NOT TO APPLY.—Section 15
6 shall not apply to the tax imposed by this section.

7 “(e) INFLATION ADJUSTMENT.—

8 “(1) IN GENERAL.—In the case of a taxable
9 year beginning after 2019, the \$3,130,000 amount
10 in subsection (a)(2) shall be increased by an amount
11 equal to—

12 “(A) such dollar amount, multiplied by

13 “(B) the cost-of-living adjustment deter-
14 mined under section 1(f)(3) for the calendar
15 year in which the taxable year begins, deter-
16 mined by substituting ‘calendar year 2018’ for
17 ‘calendar year 2016’ in subparagraph (A)(ii)
18 thereof.

19 “(2) ROUNDING.—If any amount as adjusted
20 under paragraph (1) is not a multiple of \$10,000,
21 such amount shall be rounded to the nearest mul-
22 tiple of \$10,000.

23 “(f) APPLICATION OF TAX.—The tax imposed by this
24 section shall apply to taxable years beginning after the

1 date of the enactment of this subsection and before Janu-
2 ary 1, 2025.”.

3 (2) CONFORMING AMENDMENTS.—

4 (A) Paragraph (2) of section 26(b) of such
5 Code is amended by striking “and” at the end
6 of subparagraph (X), by striking the period at
7 the end of subparagraph (Y) and inserting “,
8 and”, and by adding at the end the following
9 new subparagraph:

10 “(Z) section 59B (relating to environ-
11 mental tax).”.

12 (B) Section 164(a) of such Code is amend-
13 ed by adding at the end the following:

14 “(5) The environmental tax imposed by section
15 59B.”.

16 (C) Section 275(a) of such Code is amend-
17 ed by adding at the end the following: “Para-
18 graph (1) shall not apply to the tax imposed by
19 section 59B.”.

20 (D) Section 882(a)(1) of such Code is
21 amended by striking “or 59A” and inserting “,
22 59A, or 59B”.

23 (E) Section 1561(a) of such Code is
24 amended by inserting “and one dollar amount
25 in effect under section 59B(a)(2) for purposes

of computing the tax imposed by section 59B”
after “under section 535(c)(2) and (3)”.

(F) Section 6425(c)(1)(A) of such Code is amended by striking “plus” at the end of clause (i), by striking “over” and inserting “plus” at the end of clause (ii), and by inserting after clause (ii) the following:

“(iii) the tax imposed by section 59B,
over”.

(G) Section 6655 of such Code is amended—

(i) in subsections (e)(2)(A)(i) and (e)(2)(B)(i), by striking “taxable income and modified taxable income” and inserting “taxable income, modified taxable income, and modified environmental tax taxable income”,

(ii) in subsection (e)(2)(B), by adding at the end the following new clause:

“(iii) MODIFIED ENVIRONMENTAL TAX TAXABLE INCOME.—The term ‘modified environmental tax taxable income’ has the meaning given to such term in section 59B(b).”, and

1 (iii) in subsection (g)(1)(A), by strik-
 2 ing “plus” at the end of clause (ii), by re-
 3 designating clause (iii) as clause (iv), and
 4 by inserting after clause (ii) the following:
 5 “(iii) the tax imposed by section 59B,
 6 plus”.

7 (H) Section 9507(b)(1) of such Code is
 8 amended by inserting “59B,” before “4611”.

9 (I) The table of parts for subchapter A of
 10 chapter 1 of such Code is amended by inserting
 11 after the item relating to part VII the following
 12 new item:

“PART VIII. ENVIRONMENTAL TAX”.

13 (c) EFFECTIVE DATES.—

14 (1) EXCISE TAXES.—The amendments made by
 15 subsection (a) shall take effect on the date of the en-
 16 actment of this Act.

17 (2) INCOME TAX.—The amendments made by
 18 subsection (b) shall apply to taxable years beginning
 19 after the date of the enactment of this Act.

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