II

118TH CONGRESS
2D SESSION

S. 4685

To amend the Internal Revenue Code of 1986 to establish the truck fleet retreaded tire tax credit, to require Federal agencies to consider the use of retreaded tires, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JULY 11 (legislative day, JULY 10), 2024

Mr. BROWN introduced the following bill; which was read twice and referred to the Committee on Finance

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A BILL

To amend the Internal Revenue Code of 1986 to establish the truck fleet retreaded tire tax credit, to require Federal agencies to consider the use of retreaded tires, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ‘‘Retreaded Truck Tire Jobs, Supply Chain Security and Sustainability Act of 2024’’.

SEC. 2. CREDIT FOR CERTAIN RETREADED TIRES.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end of subpart D the following new section:

"SEC. 45BB. TRUCK FLEET RETREADED TIRE TAX CREDIT.

"(a) IN GENERAL.—For purposes of section 38, the truck fleet retreaded tire tax credit for any taxable year is an amount equal to the sum of the credit amounts determined under subsection (b) with respect to each qualified retreaded tire placed in service on a qualified truck fleet vehicle during the taxable year.

"(b) PER TIRE AMOUNT.—There shall be a credit equal to the lesser of—

"(1) 30 percent of the basis of each qualified retreaded tire, or

"(2) so much of the amount paid or incurred by the taxpayer during the taxable year to purchase qualified retreaded tires as does not exceed $30 per qualified retreaded tire.

"(c) QUALIFIED RETREADED TIRE.—The term 'qualified retreaded tire' means a retreaded truck tire—

"(1) retreaded in the United States, and

"(2) purchased by the taxpayer in the United States.

"(d) QUALIFIED TRUCK FLEET VEHICLE.—For purposes of this section, the term 'qualified truck fleet vehicle' means any vehicle which has a gross vehicle weight rating of greater than 14,000 pounds.

"(e) REGULATIONS AND GUIDANCE.—The Secretary shall issue such regulations and guidance as the Secretary determines necessary to carry out the purposes of this section.

"(f) TERMINATION.—No credit shall be determined under this section with respect to qualified retreaded tires placed in service after December 31, 2027.".

(b) CREDIT ALLOWED AS PART OF GENERAL BUSINESS CREDIT.—Section 38(b) of such Code is amended by striking "plus" at the end of paragraph (40), by striking the period at the end of paragraph (41), and by adding at the end the following new paragraph:

"(42) the truck fleet retreaded tire tax credit determined under section 45BB.".

(c) CLERICAL AMENDMENT.—The table of sections for subpart D of part IV of subchapter A of chapter 1 of such Code is amended by adding at the end the following new item:

"Sec. 45BB. Truck fleet retreaded tire tax credit.".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to tires placed in service after December 31, 2024.

SEC. 3. USE OF RETREADED TIRES FOR FEDERAL FLEETS.

(a) REQUIREMENT.—In any case in which a retreaded tire is available on the General Services Administration tire schedule in the size, load range, and tread designation desired, the head of an agency shall order such tire instead of a new, not retread-able tire.

(b) FAR REVISION.—Not later than 1 year after the date of the enactment of this Act, the Federal Acquisition Regulatory Council shall amend the Federal Acquisition Regulation to include the requirements of this section.

(c) AGENCY DEFINED.—The term ''agency'' has the meaning given the term ''executive agency'' in section 133 of title 41, United States Code.

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