

(h) REGULATIONS.—The Secretary shall prescribe such regulations or guidance as are necessary to carry out the provisions of this section.

SEC. 3. EXTENSION OF ALLOWANCE FOR BONUS DEPRECIATION FOR CERTAIN BUSINESS ASSETS.

(a) EXTENSION OF 100 PERCENT BONUS DEPRECIATION.—

(1) IN GENERAL.—Paragraph (5) of section 168(k) of the Internal Revenue Code of 1986 is amended—

(A) by striking “January 1, 2012” each place it appears and inserting “January 1, 2013”, and

(B) by striking “January 1, 2013” and inserting “January 1, 2014”.

(2) CONFORMING AMENDMENTS.—

(A) The heading for paragraph (5) of section 168(k) of such Code is amended by striking “PRE-2012 PERIODS” and inserting “PRE-2013 PERIODS”.

(B) Clause (ii) of section 460(c)(6)(B) of such Code is amended by striking “January 1, 2011 (January 1, 2012)” and inserting “January 1, 2013 (January 1, 2014)”.

(3) EFFECTIVE DATES.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the amendments made by this section shall apply to property placed in service after December 31, 2011.

(B) CONFORMING AMENDMENT.—The amendment made by paragraph (2)(B) shall apply to property placed in service after December 31, 2010.

(b) EXPANSION OF ELECTION TO ACCELERATE AMT CREDITS IN LIEU OF BONUS DEPRECIATION.—

(1) IN GENERAL.—Paragraph (4) of section 168(k) of the Internal Revenue Code of 1986 is amended to read as follows:

“(4) ELECTION TO ACCELERATE AMT CREDITS IN LIEU OF BONUS DEPRECIATION.—

“(A) IN GENERAL.—If a corporation elects to have this paragraph apply for any taxable year—

“(i) paragraph (1) shall not apply to any eligible qualified property placed in service by the taxpayer in such taxable year,

“(ii) the applicable depreciation method used under this section with respect to such property shall be the straight line method, and

“(iii) the limitation imposed by section 53(c) for such taxable year shall be increased by the bonus depreciation amount which is determined for such taxable year under subparagraph (B).

“(B) BONUS DEPRECIATION AMOUNT.—For purposes of this paragraph—

“(i) IN GENERAL.—The bonus depreciation amount for any taxable year is an amount equal to 20 percent of the excess (if any) of—

“(I) the aggregate amount of depreciation which would be allowed under this section for eligible qualified property placed in service by the taxpayer during such taxable year if paragraph (1) applied to all such property, over

“(II) the aggregate amount of depreciation which would be allowed under this section for eligible qualified property placed in service by the taxpayer during such taxable year if paragraph (1) did not apply to any such property.

The aggregate amounts determined under subclauses (I) and (II) shall be determined without regard to any election made under subsection (b)(2)(D), (b)(3)(D), or (g)(7) and without regard to subparagraph (A)(ii).

“(ii) LIMITATION.—The bonus depreciation amount for any taxable year shall not exceed the lesser of—

“(I) 50 percent of the minimum tax credit under section 53(b) for the first taxable year ending after December 31, 2011, reduced (but not below zero) by the sum of the bonus de-

preciation amounts for all taxable years ending after such date for which an election under this paragraph was made which precede the taxable year for which the determination is made (other than amounts determined with respect to property placed in service by the taxpayer on or before such date), or

“(II) the minimum tax credit under section 53(b) for such taxable year determined by taking into account only the adjusted minimum tax for taxable years ending before January 1, 2012 (determined by treating credits as allowed on a first-in, first-out basis).

“(iii) AGGREGATION RULE.—All corporations which are treated as a single employer under section 52(a) shall be treated—

“(I) as 1 taxpayer for purposes of this paragraph, and

“(II) as having elected the application of this paragraph if any such corporation so elects.

“(C) ELIGIBLE QUALIFIED PROPERTY.—For purposes of this paragraph, the term ‘eligible qualified property’ means qualified property under paragraph (2), except that in applying paragraph (2) for purposes of this paragraph—

“(i) ‘March 31, 2008’ shall be substituted for ‘December 31, 2007’ each place it appears in subparagraph (A) and clauses (i) and (ii) of subparagraph (E) thereof,

“(ii) ‘April 1, 2008’ shall be substituted for ‘January 1, 2008’ in subparagraph (A)(iii)(I) thereof, and

“(iii) only adjusted basis attributable to manufacture, construction, or production—

“(I) after March 31, 2008, and before January 1, 2010, and

“(II) after December 31, 2010, and before January 1, 2013, shall be taken into account under subparagraph (B)(ii) thereof.

“(D) CREDIT REFUNDABLE.—For purposes of section 6401(b), the aggregate increase in the credits allowable under part IV of subchapter A for any taxable year resulting from the application of this paragraph shall be treated as allowed under subpart C of such part (and not any other subpart).

“(E) OTHER RULES.—

“(i) ELECTION.—Any election under this paragraph may be revoked only with the consent of the Secretary.

“(ii) PARTNERSHIPS WITH ELECTING PARTNERS.—In the case of a corporation making an election under subparagraph (A) and which is a partner in a partnership, for purposes of determining such corporation’s distributive share of partnership items under section 702—

“(I) paragraph (1) shall not apply to any eligible qualified property, and

“(II) the applicable depreciation method used under this section with respect to such property shall be the straight line method.

“(iii) CERTAIN PARTNERSHIPS.—In the case of a partnership in which more than 50 percent of the capital and profits interests are owned (directly or indirectly) at all times during the taxable year by one corporation (or by corporations treated as 1 taxpayer under subparagraph (B)(iii)), for purposes of subparagraph (B), each partner shall take into account its distributive share of the amounts determined by the partnership under subclauses (I) and (II) of clause (i) of such subparagraph for the taxable year of the partnership ending with or within the taxable year of the partner. The preceding sentence shall apply only to amounts determined with respect to property placed in service after December 31, 2011.

“(iv) SPECIAL RULE FOR PASSENGER AIRCRAFT.—In the case of any passenger aircraft, the written binding contract limitation under paragraph (2)(A)(iii)(I) shall not apply for purposes of subparagraphs (B)(i)(I) and (C).”.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to taxable years ending after December 31, 2011.

(3) TRANSITIONAL RULE.—In the case of a taxable year beginning before January 1, 2012, and ending after December 31, 2011, the bonus depreciation amount determined under paragraph (4) of section 168(k) of the Internal Revenue Code of 1986 for such year shall be the sum of—

(A) such amount determined under such paragraph as in effect on the date before the date of enactment of this Act—

(i) taking into account only property placed in service before January 1, 2012, and

(ii) multiplying the limitation under subparagraph (C)(ii) of such paragraph (as so in effect) by a fraction the numerator of which is the number of days in the taxable year before January 1, 2012, and the denominator of which is the number of days in the taxable year, and

(B) such amount determined under such paragraph as amended by this Act—

(i) taking into account only property placed in service after December 31, 2011, and

(ii) multiplying the limitation under subparagraph (B)(ii) of such paragraph (as so in effect) by a fraction the numerator of which is the number of days in the taxable year after December 31, 2011, and the denominator of which is the number of days in the taxable year.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 406—COMMENDING THE ACHIEVEMENTS AND RECOGNIZING THE IMPORTANCE OF THE ALLIANCE TO SAVE ENERGY ON THE 35TH ANNIVERSARY OF THE INCORPORATION OF THE ALLIANCE

Mr. WARNER (for himself, Mr. BINGAMAN, Ms. MURKOWSKI, Mr. LUGAR, Ms. COLLINS, Mr. PRYOR, and Mr. UDALL of Colorado) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 406

Whereas March 18, 2012, marks the first day of a year-long celebration of the 35th anniversary of the Alliance to Save Energy, which was incorporated as a nonprofit organization in accordance with section 501(c)(3) of the Internal Revenue Code of 1986 on March 18, 1977;

Whereas the Alliance to Save Energy was founded by Senators Charles H. Percy and Hubert H. Humphrey;

Whereas the Alliance to Save Energy is a unique national, nonprofit, bipartisan public-policy organization that works with prominent leaders in the fields of business, government, education, the environment, and consumer affairs to promote the efficient and clean use of energy throughout the world to benefit the economy, environment, and security of the United States;

Whereas the Alliance to Save Energy operates programs and collaborative projects throughout the United States, and has worked in the international community for more than a decade in more than 30 developing and transitional countries;

Whereas the Alliance to Save Energy leverages international relationships with government and industry leaders to promote energy efficiency throughout the world and has worked to launch affiliate organizations such as the European Alliance to Save Energy and the Australian Alliance to Save Energy;

Whereas the Alliance to Save Energy has shown that energy efficiency and conservation measures taken by the United States during the past 35 years have caused annual energy consumption in the United States to decrease by more than 52 quads;

Whereas the Alliance to Save Energy is recognized across the United States as an authority on energy efficiency, and regularly provides testimony and resources to the Federal Government, State governments, and members of the business and media communities;

Whereas the Alliance to Save Energy contributes to a variety of educational and outreach initiatives, including—

(1) the award-winning Green Schools and Green Campus programs;

(2) award-winning public service announcements; and

(3) a variety of targeted energy-efficiency campaigns; and

Whereas the Alliance to Save Energy collaborates with other prominent organizations to form partnerships and create groups that advance the cause of energy efficiency, including—

(1) the Building Codes Assistance Project (commonly known as “BCAP”);

(2) the Southeast Energy Efficiency Alliance (commonly known as “SEEA”);

(3) the Clean and Efficient Energy Program (commonly known as “CEEP”);

(4) the Efficient Windows Collaborative; and

(5) the Appliance Standards Awareness Project (commonly known as “ASAP”): Now, therefore, be it

Resolved, That the Senate—

(1) congratulates the Alliance to Save Energy on the 35th anniversary of the incorporation of the Alliance; and

(2) recognizes the important contributions that the Alliance to Save Energy has made to further the cause of energy efficiency.

AMENDMENTS SUBMITTED AND PROPOSED

SA 1946. Mr. MCCAIN submitted an amendment intended to be proposed by him to the bill S. 2204, to eliminate unnecessary tax subsidies and promote renewable energy and energy conservation; which was ordered to lie on the table.

SA 1947. Mr. MCCAIN submitted an amendment intended to be proposed by him to the bill S. 2204, *supra*; which was ordered to lie on the table.

SA 1948. Mr. MCCAIN submitted an amendment intended to be proposed by him to the bill S. 2204, *supra*; which was ordered to lie on the table.

SA 1949. Mr. MCCAIN submitted an amendment intended to be proposed by him to the bill S. 2204, *supra*; which was ordered to lie on the table.

SA 1950. Mr. MCCAIN submitted an amendment intended to be proposed by him to the bill S. 2204, *supra*; which was ordered to lie on the table.

SA 1951. Mr. MCCAIN submitted an amendment intended to be proposed by him to the bill S. 2204, *supra*; which was ordered to lie on the table.

SA 1952. Mr. SANDERS (for himself, Mr. BLUMENTHAL, Mrs. FEINSTEIN, Mr. TESTER, Mrs. MCCASKILL, Ms. KLOBUCHAR, Mr. LEVIN, Mr. FRANKEN, Mr. BROWN of Ohio, Mr. CARDIN, and Ms. MIKULSKI) submitted an amendment intended to be proposed by him to the bill S. 2204, *supra*; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 1946. Mr. MCCAIN submitted an amendment intended to be proposed by

him to the bill S. 2204, to eliminate unnecessary tax subsidies and promote renewable energy and energy conservation; which was ordered to lie on the table; as follows:

At the end, add the following:

TITLE — FOREIGN EARNINGS REINVESTMENT

SEC. 01. SHORT TITLE.

This title may be cited as the “Foreign Earnings Reinvestment Act”.

SEC. 02. ALLOWANCE OF TEMPORARY DIVIDENDS RECEIVED DEDUCTION FOR DIVIDENDS RECEIVED FROM A CONTROLLED FOREIGN CORPORATION.

(a) APPLICABILITY OF PROVISION.—

(1) IN GENERAL.—Subsection (f) of section 965 of the Internal Revenue Code of 1986 is amended to read as follows:

“(f) ELECTION; ELECTION YEAR.—

“(1) IN GENERAL.—The taxpayer may elect to apply this section to—

“(A) the taxpayer’s last taxable year which begins before the date of the enactment of the Foreign Earnings Reinvestment Act, or

“(B) the taxpayer’s first taxable year which begins during the 1-year period beginning on such date.

Such election may be made for a taxable year only if made on or before the due date (including extensions) for filing the return of tax for such taxable year.

“(C) ELECTION YEAR.—For purposes of this section, the term ‘election year’ means the taxable year—

“(i) which begins after the date that is one year before the date of the enactment of the Foreign Earnings Reinvestment Act, and

“(ii) to which the taxpayer elects under paragraph (1) to apply this section.”.

(2) CONFORMING AMENDMENTS.—

(A) EXTRAORDINARY DIVIDENDS.—Section 965(b)(2) of such Code is amended—

(i) by striking “June 30, 2003” and inserting “September 30, 2011”, and

(ii) by adding at the end the following new sentence: “The amounts described in clauses (i), (ii), and (iii) shall not include any amounts which were taken into account in determining the deduction under subsection (a) for any prior taxable year.”.

(B) DETERMINATIONS RELATING TO RELATED PARTY INDEBTEDNESS.—Section 965(b)(3)(B) of such Code is amended by striking “October 3, 2004” and inserting “September 30, 2011”.

(C) APPLICABLE FINANCIAL STATEMENT.—Section 965(c)(1) of such Code is amended by striking “June 30, 2003” each place it appears and inserting “September 30, 2011”.

(D) DETERMINATIONS RELATING TO BASE PERIOD.—Section 965(c)(2) of such Code is amended by striking “June 30, 2003” and inserting “September 30, 2011”.

(b) DEDUCTION INCLUDES CURRENT AND ACCUMULATED FOREIGN EARNINGS.—

(1) IN GENERAL.—Paragraph (1) of section 965(b) of the Internal Revenue Code of 1986 is amended to read as follows:

“(1) IN GENERAL.—The amount of dividends taken into account under subsection (a) shall not exceed the sum of the current and accumulated earnings and profits described in section 959(c)(3) for the year a deduction is claimed under subsection (a), without diminution by reason of any distributions made during the election year, for all controlled foreign corporations of the United States shareholder.”.

(2) CONFORMING AMENDMENTS.—

(A) Section 965(c) of such Code, as amended by subsection (a), is amended by striking paragraph (1) and by redesignating paragraphs (2), (3), (4), and (5), as paragraphs (1), (2), (3), and (4), respectively.

(B) Paragraph (4) of section 965(c) of such Code, as redesignated by subparagraph (A), is amended to read as follows:

“(4) CONTROLLED GROUPS.—All United States shareholders which are members of an affiliated group filing a consolidated return under section 1501 shall be treated as one United States shareholder.”.

(c) AMOUNT OF DEDUCTION.—

(1) IN GENERAL.—Paragraph (1) of section 965(a) of the Internal Revenue Code of 1986 is amended by striking “85 percent” and inserting “75 percent”.

(2) BONUS DEDUCTION IN SUBSEQUENT TAXABLE YEAR FOR INCREASING JOBS.—Section 965 of such Code is amended by adding at the end the following new subsection:

“(g) BONUS DEDUCTION.—

“(1) IN GENERAL.—In the case of any taxpayer who makes an election to apply this section, there shall be allowed as a deduction for the first taxable year following the election year an amount equal to the applicable percentage of the cash dividends which are taken into account under subsection (a) with respect to such taxpayer for the election year.

“(2) APPLICABLE PERCENTAGE.—For purposes of paragraph (1), the applicable percentage is the amount which bears the same ratio (not greater than 1) to 10 percent as—

“(A) the excess (if any) of—

“(i) the qualified payroll of the taxpayer for the calendar year which begins with or within the first taxable year following the election year, over

“(ii) the qualified payroll of the taxpayer for calendar year 2010, bears to

“(B) 10 percent of the qualified payroll of the taxpayer for calendar year 2010.”

“(3) QUALIFIED PAYROLL.—For purposes of this paragraph:

“(A) IN GENERAL.—The term ‘qualified payroll’ means, with respect to a taxpayer for any calendar year, the aggregate wages (as defined in section 3121(a)) paid by the corporation during such calendar year.

“(B) EXCEPTION FOR CHANGES IN OWNERSHIP OF TRADES OR BUSINESSES.—

“(i) ACQUISITIONS.—If, after December 31, 2009, and before the close of the first taxable year following the election year, a taxpayer acquires the trade or business of a predecessor, then the qualified payroll of such taxpayer for any calendar year shall be increased by so much of the qualified payroll of the predecessor for such calendar year as was attributable to the trade or business acquired by the taxpayer.

“(ii) DISPOSITIONS.—If, after December 31, 2009, and before the close of the first taxable year following the election year, a taxpayer disposes of a trade or business, then—

“(I) the qualified payroll of such taxpayer for calendar year 2010 shall be decreased by the amount of wages for such calendar year as were attributable to the trade or business which was disposed of by the taxpayer, and

“(II) if the disposition occurs after the beginning of the first taxable year following the election year, the qualified payroll of such taxpayer for the calendar year which begins with or within such taxable year shall be decreased by the amount of wages for such calendar year as were attributable to the trade or business which was disposed of by the taxpayer.

“(C) SPECIAL RULE.—For purposes of determining qualified payroll for any calendar year after calendar year 2011, such term shall not include wages paid to any individual if such individual received compensation from the taxpayer for services performed—

“(i) after the date of the enactment of this paragraph, and