

113TH CONGRESS
2D SESSION

H. R. 5775

To amend the Internal Revenue Code of 1986 to extend certain expiring energy tax incentives.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 1, 2014

Mr. KELLY of Pennsylvania (for himself and Mr. KIND) 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 certain expiring energy tax incentives.

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, ETC.**

4 (a) **SHORT TITLE.**—This Act may be cited as the
5 “Powering American Jobs Act of 2014”.

6 (b) **AMENDMENT OF 1986 CODE.**—Except as other-
7 wise expressly provided, whenever in this Act an amend-
8 ment or repeal is expressed in terms of an amendment
9 to, or repeal of, a section or other provision, the reference

1 shall be considered to be made to a section or other provi-
 2 sion of the Internal Revenue Code of 1986.

3 (c) TABLE OF CONTENTS.—The table of contents for
 4 this Act is as follows:

- Sec. 1. Short title, etc.
- Sec. 2. Extension and modification of credit for nonbusiness energy property.
- Sec. 3. Extension of excise tax credits relating to certain fuels.
- Sec. 4. Extension of credit for alternative fuel vehicle refueling property.
- Sec. 5. Extension of incentives for biodiesel and renewable diesel.
- Sec. 6. Equalization of excise tax on liquefied natural gas and liquefied petroleum gas.

5 **SEC. 2. EXTENSION AND MODIFICATION OF CREDIT FOR**
 6 **NONBUSINESS ENERGY PROPERTY.**

7 (a) IN GENERAL.—Paragraph (2) of section 25C(g)
 8 is amended by striking “December 31, 2013” and insert-
 9 ing “December 31, 2015”.

10 (b) UPDATED ENERGY STAR REQUIREMENTS FOR
 11 WINDOWS, DOORS, SKYLIGHTS, AND ROOFING.—

12 (1) IN GENERAL.—Paragraph (1) of section
 13 25C(e) is amended by striking “which meets” and
 14 all that follows through “requirements)”.

15 (2) ENERGY EFFICIENT BUILDING ENVELOPE
 16 COMPONENT.—Subsection (c) of section 25C is
 17 amended by redesignating paragraphs (2) and (3) as
 18 paragraphs (3) and (4), respectively, and by insert-
 19 ing after paragraph (1) the following new para-
 20 graph:

21 “(2) ENERGY EFFICIENT BUILDING ENVELOPE
 22 COMPONENT.—The term ‘energy efficient building

1 envelope component’ means a building envelope com-
2 ponent which meets—

3 “(A) applicable Energy Star program re-
4 quirements, in the case of a roof or roof prod-
5 ucts,

6 “(B) version 6.0 Energy Star program re-
7 quirements, in the case of an exterior window,
8 a skylight, or an exterior door, and

9 “(C) the prescriptive criteria for such com-
10 ponent established by the 2009 International
11 Energy Conservation Code, as such Code (in-
12 cluding supplements) is in effect on the date of
13 the enactment of the American Recovery and
14 Reinvestment Tax Act of 2009, in the case of
15 any other component.”.

16 (3) CONFORMING AMENDMENT.—Subparagraph
17 (D) of section 25C(c)(3), as so redesignated, is
18 amended to read as follows:

19 “(D) any roof or roof products which are
20 installed on a dwelling unit and are specifically
21 and primarily designed to reduce the heat gain
22 of such dwelling unit.”.

23 (c) SEPARATE STANDARDS FOR TANKLESS AND
24 STORAGE WATER HEATERS.—Subparagraph (D) of sec-

1 tion 25C(d)(3) is amended by striking “which has either”
2 and all that follows and inserting “which has—

3 “(i) in the case of a natural gas, pro-
4 pane, or oil storage water heater, an en-
5 ergy factor of at least 0.80 or a thermal
6 efficiency of at least 90 percent,

7 “(ii) in the case of an electric heat
8 pump storage water heater, an energy fac-
9 tor of at least 2.0,

10 “(iii) effective April 16, 2015, in the
11 case of a natural gas, propane, or oil stor-
12 age water heater, with a rated BTU input
13 of no more than 75,000 BTU/hr, an en-
14 ergy factor of at least 0.80 or, with a rated
15 BTU input greater than 75,000 BTU/hr, a
16 thermal efficiency of at least 90 percent,

17 “(iv) effective April 16, 2015, in the
18 case of an electric heat pump storage
19 water heater, with a water storage capacity
20 equal to or less than 55 gallons, an energy
21 factor of at least 2.0 or, with a water stor-
22 age capacity equal to or greater than 55
23 gallons, an energy factor of at least 2.2,
24 and

1 “(v) in the case of any other water
2 heater, an energy factor of at least 0.90 or
3 a thermal efficiency of at least 90 percent,
4 and”.

5 (d) MODIFICATION OF TESTING STANDARDS FOR
6 BIOMASS STOVES.—Subparagraph (E) of section
7 25C(d)(3) is amended by inserting before the period the
8 following: “, when tested using the higher heating value
9 of the fuel and in accordance with the Canadian Standards
10 Administration B415.1 test protocol”.

11 (e) MODIFICATIONS TO RESIDENTIAL ENERGY PROP-
12 erty EXPENDITURES.—

13 (1) QUALIFIED NATURAL GAS, PROPANE, OR
14 OIL FURNACES OR HOT WATER BOILERS.—Para-
15 graph (4) of section 25C(d) is amended to read as
16 follows:

17 “(4) QUALIFIED NATURAL GAS, PROPANE, OR
18 OIL FURNACE OR HOT WATER BOILER.—The term
19 ‘qualified natural gas, propane, or oil furnace or hot
20 water boiler’ means—

21 “(A) a natural gas or propane furnace
22 which achieves an annual fuel utilization effi-
23 ciency rate of not less than 95,

1 “(B) a natural gas or propane hot water
2 boiler which achieves an annual fuel utilization
3 efficiency rate of not less than 90, and

4 “(C) an oil furnace or hot water boiler
5 which—

6 “(i) achieves an annual fuel utilization
7 efficiency rate of not less than 87, and

8 “(ii)(I) in the case of a hot water boil-
9 er, is installed with an indirect water heat-
10 er, and

11 “(II) in the case of a furnace, is in-
12 stalled with an electronically commutated
13 blower motor.”.

14 (f) EFFECTIVE DATE.—The amendments made by
15 this section shall apply to property placed in service after
16 December 31, 2013.

17 **SEC. 3. EXTENSION OF EXCISE TAX CREDITS RELATING TO**
18 **CERTAIN FUELS.**

19 (a) EXCISE TAX CREDITS AND OUTLAY PAYMENTS
20 FOR BIODIESEL AND RENEWABLE DIESEL FUEL MIX-
21 TURES.—

22 (1) Paragraph (6) of section 6426(c) is amend-
23 ed by striking “December 31, 2013” and inserting
24 “December 31, 2015”.

1 (2) Subparagraph (B) of section 6427(e)(6) is
2 amended by striking “December 31, 2013” and in-
3 serting “December 31, 2015”.

4 (b) EXTENSION OF ALTERNATIVE FUELS EXCISE
5 TAX CREDITS.—

6 (1) IN GENERAL.—Sections 6426(d)(5) and
7 6426(e)(3) are each amended by striking “December
8 31, 2013” and inserting “December 31, 2015”.

9 (2) OUTLAY PAYMENTS FOR ALTERNATIVE
10 FUELS.—Subparagraph (C) of section 6427(e)(6) is
11 amended by striking “December 31, 2013” and in-
12 serting “December 31, 2015”.

13 (c) EXTENSION OF ALTERNATIVE FUELS EXCISE
14 TAX CREDITS RELATING TO LIQUEFIED HYDROGEN.—

15 (1) IN GENERAL.—Sections 6426(d)(5) and
16 6426(e)(3), as amended by subsection (b), are each
17 amended by striking “(September 30, 2014 in the
18 case of any sale or use involving liquefied hydro-
19 gen)”.

20 (2) OUTLAY PAYMENTS FOR ALTERNATIVE
21 FUELS.—Paragraph (6) of section 6427(e) is
22 amended—

23 (A) by striking “except as provided in sub-
24 paragraph (D), any” in subparagraph (C), as
25 amended by this Act, and inserting “any”,

1 (B) by striking the comma at the end of
2 subparagraph (C) and inserting “, and”, and

3 (C) by striking subparagraph (D) and re-
4 designating subparagraph (E) as subparagraph
5 (D).

6 (d) EFFECTIVE DATES.—

7 (1) IN GENERAL.—Except as provided in para-
8 graph (2), the amendments made by this section
9 shall apply to fuel sold or used after December 31,
10 2013.

11 (2) LIQUEFIED HYDROGEN.—The amendments
12 made by subsection (c) shall apply to fuels sold or
13 used after September 30, 2014.

14 (e) SPECIAL RULE FOR CERTAIN PERIODS DURING
15 2014.—Notwithstanding any other provision of law, in the
16 case of—

17 (1) any biodiesel mixture credit properly deter-
18 mined under section 6426(e) of the Internal Revenue
19 Code of 1986 for periods after December 31, 2013,
20 and before the date of the enactment of this Act,
21 and

22 (2) any alternative fuel credit properly deter-
23 mined under section 6426(d) of such Code for such
24 periods,

1 such credit shall be allowed, and any refund or payment
2 attributable to such credit (including any payment under
3 section 6427(e) of such Code) shall be made, only in such
4 manner as the Secretary of the Treasury (or the Sec-
5 retary’s delegate) shall provide. Such Secretary shall issue
6 guidance within 30 days after the date of the enactment
7 of this Act providing for a one-time submission of claims
8 covering periods described in the preceding sentence. Such
9 guidance shall provide for a 180-day period for the sub-
10 mission of such claims (in such manner as prescribed by
11 such Secretary) to begin not later than 30 days after such
12 guidance is issued. Such claims shall be paid by such Sec-
13 retary not later than 60 days after receipt. If such Sec-
14 retary has not paid pursuant to a claim filed under this
15 subsection within 60 days after the date of the filing of
16 such claim, the claim shall be paid with interest from such
17 date determined by using the overpayment rate and meth-
18 od under section 6621 of such Code.

19 **SEC. 4. EXTENSION OF CREDIT FOR ALTERNATIVE FUEL**
20 **VEHICLE REFUELING PROPERTY.**

21 (a) IN GENERAL.—Subsection (g) of section 30C is
22 amended by striking “placed in service” and all that fol-
23 lows and inserting “placed in service after December 31,
24 2015.”.

1 (b) EFFECTIVE DATE.—The amendment made by
2 this section shall apply to property placed in service after
3 December 31, 2013.

4 **SEC. 5. EXTENSION OF INCENTIVES FOR BIODIESEL AND**
5 **RENEWABLE DIESEL.**

6 (a) CREDITS FOR BIODIESEL AND RENEWABLE DIE-
7 SEL USED AS FUEL.—Subsection (g) of section 40A is
8 amended by striking “December 31, 2013” and inserting
9 “December 31, 2015”.

10 (b) EFFECTIVE DATE.—The amendment made by
11 this section shall apply to fuel sold or used after December
12 31, 2013.

13 **SEC. 6. EQUALIZATION OF EXCISE TAX ON LIQUEFIED NAT-**
14 **URAL GAS AND LIQUEFIED PETROLEUM GAS.**

15 (a) LIQUEFIED PETROLEUM GAS.—

16 (1) IN GENERAL.—Subparagraph (B) of section
17 4041(a)(2) of the Internal Revenue Code of 1986 is
18 amended by striking “and” at the end of clause (i),
19 by redesignating clause (ii) as clause (iii), and by in-
20 serting after clause (i) the following new clause:

21 “(ii) in the case of liquefied petroleum
22 gas, 18.3 cents per energy equivalent of a
23 gallon of gasoline, and”.

24 (2) ENERGY EQUIVALENT OF A GALLON OF
25 GASOLINE.—Paragraph (2) of section 4041(a) of the

1 Internal Revenue Code of 1986 is amended by add-
2 ing at the end the following:

3 “(C) ENERGY EQUIVALENT OF A GALLON
4 OF GASOLINE.—For purposes of this para-
5 graph, the term ‘energy equivalent of a gallon
6 of gasoline’ means, with respect to a liquefied
7 petroleum gas fuel, the amount of such fuel
8 having a Btu content of 115,400 (lower heating
9 value).”.

10 (b) LIQUEFIED NATURAL GAS.—

11 (1) IN GENERAL.—Subparagraph (B) of section
12 4041(a)(2) of the Internal Revenue Code of 1986, as
13 amended by subsection (a)(1), is amended by strik-
14 ing “and” at the end of clause (ii), by striking the
15 period at the end of clause (iii) and inserting “,
16 and” and by inserting after clause (iii) the following
17 new clause:

18 “(iv) in the case of liquefied natural
19 gas, 24.3 cents per energy equivalent of a
20 gallon of diesel.”.

21 (2) ENERGY EQUIVALENT OF A GALLON OF
22 DIESEL.—Paragraph (2) of section 4041(a) of the
23 Internal Revenue Code of 1986, as amended by sub-
24 section (a)(2), is amended by adding at the end the
25 following:

1 “(D) ENERGY EQUIVALENT OF A GALLON
2 OF DIESEL.—For purposes of this paragraph,
3 the term ‘energy equivalent of a gallon of diesel’
4 means, with respect to a liquefied natural gas
5 fuel, the amount of such fuel having a Btu con-
6 tent of 128,700 (lower heating value).”.

7 (3) CONFORMING AMENDMENTS.—Section
8 4041(a)(2)(B)(iv) of the Internal Revenue Code of
9 1986, as redesignated by subsection (a)(1) and para-
10 graph (1), is amended—

11 (A) by striking “liquefied natural gas,”
12 and

13 (B) by striking “peat), and” and inserting
14 “peat) and”.

15 (c) EFFECTIVE DATE.—The amendments made by
16 this section shall apply to any sale or use of fuel after
17 September 30, 2014.

○