

111TH CONGRESS
1ST SESSION

H. R. 4305

To amend the Internal Revenue Code of 1986 to provide the energy tax credit for transformers designed to use soybean-based electrical transformer fluid.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 14, 2009

Mr. MEEK of Florida 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 provide the energy tax credit for transformers designed to use soybean-based electrical transformer fluid.

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. ENERGY CREDIT FOR TRANSFORMERS DE-**
4 **SIGNED TO USE SOYBEAN-BASED ELEC-**
5 **TRICAL TRANSFORMER FLUID.**

6 (a) IN GENERAL.—Subparagraph (A) of section
7 48(a)(3) of the Internal Revenue Code of 1986 is amended
8 by striking “or” at the end of clause (vi), by inserting

1 “or” at the end of clause (vii), and by adding at the end
2 the following new clause:

3 “(viii) an electrical transformer which
4 is designed to use, and contains, soybean-
5 based electrical transformer fluid as the in-
6 sulating fluid.”.

7 (b) 30 PERCENT CREDIT FOR REPLACEMENT SOY-
8 BEAN-BASED ELECTRICAL TRANSFORMER FLUID.—

9 (1) IN GENERAL.—Subsection (a) of section 48
10 of such Code is amended by adding at the end the
11 following new paragraph:

12 “(6) SOYBEAN-BASED ELECTRICAL TRANS-
13 FORMER FLUID.—For purposes of this subpart, the
14 term ‘energy property’ includes any soybean-based
15 electrical transformer fluid—

16 “(A) used by the taxpayer as an insulating
17 fluid in an electrical transformer owned or oper-
18 ated by the taxpayer, and

19 “(B) the original use of which commences
20 with the taxpayer.”.

21 (2) 30 PERCENT CREDIT.—Clause (i) of section
22 48(a)(2)(A) of such Code is amended by striking
23 “and” at the end of subclause (III) and by adding
24 at the end the following new subclause:

1 “(V) any soybean-based electrical
2 transformer fluid described in para-
3 graph (6), and”.

4 (c) SOYBEAN-BASED ELECTRICAL TRANSFORMER
5 FLUID.—Subsection (c) of section 48 of such Code is
6 amended by adding at the end the following new para-
7 graph:

8 “(5) SOYBEAN-BASED ELECTRICAL TRANS-
9 FORMER FLUID.—The term ‘soybean-based electrical
10 transformer fluid’ means any insulating fluid formu-
11 lated for use in electrical transformers which—

12 “(A) is at least 95 percent soybean oil by
13 volume, and

14 “(B) has received an environmental tech-
15 nology verification from the Administrator of
16 the Environmental Protection Agency.”.

17 (d) EFFECTIVE DATE.—The amendments made by
18 this section shall apply to property placed in service in
19 taxable years beginning after the date of the enactment
20 of this Act.

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