

115TH CONGRESS
1ST SESSION

S. 2256

To amend the Internal Revenue Code of 1986 to extend expiring provisions,
and for other purposes.

IN THE SENATE OF THE UNITED STATES

DECEMBER 20, 2017

Mr. HATCH (for himself, Mr. GRASSLEY, Mr. CRAPO, Mr. ROBERTS, Mr. THUNE, and Mr. ISAKSON) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to extend
expiring provisions, and for other purposes.

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 “Tax Extender Act of 2017”.

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 **TITLE I—TAX RELIEF FOR**
4 **FAMILIES AND INDIVIDUALS**

5 **SEC. 101. EXTENSION OF EXCLUSION FROM GROSS INCOME**
6 **OF DISCHARGE OF QUALIFIED PRINCIPAL**
7 **RESIDENCE INDEBTEDNESS.**

8 (a) **IN GENERAL.**—Section 108(a)(1)(E) is amended
9 by striking “January 1, 2017” each place it appears and
10 inserting “January 1, 2019”.

11 (b) **EFFECTIVE DATE.**—The amendments made by
12 this section shall apply to discharges of indebtedness after
13 December 31, 2016.

14 **SEC. 102. EXTENSION OF MORTGAGE INSURANCE PRE-**
15 **MIUMS TREATED AS QUALIFIED RESIDENCE**
16 **INTEREST.**

17 (a) **IN GENERAL.**—Subclause (I) of section
18 163(h)(3)(E)(iv) is amended by striking “December 31,
19 2016” and inserting “December 31, 2018”.

20 (b) **EFFECTIVE DATE.**—The amendment made by
21 this section shall apply to amounts paid or accrued after
22 December 31, 2016.

1 **SEC. 103. EXTENSION OF ABOVE-THE-LINE DEDUCTION FOR**
 2 **QUALIFIED TUITION AND RELATED EX-**
 3 **PENSES.**

4 (a) IN GENERAL.—Section 222(e) is amended by
 5 striking “December 31, 2016” and inserting “December
 6 31, 2018”.

7 (b) EFFECTIVE DATE.—The amendment made by
 8 this section shall apply to taxable years beginning after
 9 December 31, 2016.

10 **TITLE II—INCENTIVES FOR**
 11 **GROWTH, JOBS, INVESTMENT,**
 12 **AND INNOVATION**

13 **SEC. 201. EXTENSION OF INDIAN EMPLOYMENT TAX CRED-**
 14 **IT.**

15 (a) IN GENERAL.—Section 45A(f) is amended by
 16 striking “December 31, 2016” and inserting “December
 17 31, 2018”.

18 (b) EFFECTIVE DATE.—The amendment made by
 19 this section shall apply to taxable years beginning after
 20 December 31, 2016.

21 **SEC. 202. EXTENSION OF RAILROAD TRACK MAINTENANCE**
 22 **CREDIT.**

23 (a) IN GENERAL.—Section 45G(f) is amended by
 24 striking “January 1, 2017” and inserting “January 1,
 25 2019”.

1 (b) EFFECTIVE DATE.—The amendment made by
2 this section shall apply to expenditures paid or incurred
3 in taxable years beginning after December 31, 2016.

4 **SEC. 203. EXTENSION OF MINE RESCUE TEAM TRAINING**
5 **CREDIT.**

6 (a) IN GENERAL.—Section 45N(e) is amended by
7 striking “December 31, 2016” and inserting “December
8 31, 2018”.

9 (b) EFFECTIVE DATE.—The amendment made by
10 this section shall apply to taxable years beginning after
11 December 31, 2016.

12 **SEC. 204. EXTENSION OF QUALIFIED ZONE ACADEMY**
13 **BONDS.**

14 (a) IN GENERAL.—Section 54E(c)(1) is amended by
15 striking “and 2016” and inserting “2016, and 2017”.

16 (b) EFFECTIVE DATE.—The amendment made by
17 this section shall apply to obligations issued after Decem-
18 ber 31, 2016.

19 **SEC. 205. EXTENSION OF CLASSIFICATION OF CERTAIN**
20 **RACE HORSES AS 3-YEAR PROPERTY.**

21 (a) IN GENERAL.—Section 168(e)(3)(A)(i) is amend-
22 ed—

23 (1) by striking “January 1, 2017” in subclause
24 (I) and inserting “January 1, 2019”, and

1 (2) by striking “December 31, 2016” in sub-
2 clause (II) and inserting “December 31, 2018”.

3 (b) EFFECTIVE DATE.—The amendments made by
4 this section shall apply to property placed in service after
5 December 31, 2016.

6 **SEC. 206. EXTENSION OF 7-YEAR RECOVERY PERIOD FOR**
7 **MOTORSPORTS ENTERTAINMENT COM-**
8 **PLEXES.**

9 (a) IN GENERAL.—Section 168(i)(15)(D) is amended
10 by striking “December 31, 2016” and inserting “Decem-
11 ber 31, 2018”.

12 (b) EFFECTIVE DATE.—The amendment made by
13 this section shall apply to property placed in service after
14 December 31, 2016.

15 **SEC. 207. EXTENSION OF ACCELERATED DEPRECIATION**
16 **FOR BUSINESS PROPERTY ON AN INDIAN**
17 **RESERVATION.**

18 (a) IN GENERAL.—Section 168(j)(9) is amended by
19 striking “December 31, 2016” and inserting “December
20 31, 2018”.

21 (b) EFFECTIVE DATE.—The amendment made by
22 this section shall apply to property placed in service after
23 December 31, 2016.

1 **SEC. 208. EXTENSION OF ELECTION TO EXPENSE MINE**
 2 **SAFETY EQUIPMENT.**

3 (a) IN GENERAL.—Section 179E(g) is amended by
 4 striking “December 31, 2016” and inserting “December
 5 31, 2018”.

6 (b) EFFECTIVE DATE.—The amendment made by
 7 this section shall apply to property placed in service after
 8 December 31, 2016.

9 **SEC. 209. EXTENSION OF SPECIAL EXPENSING RULES FOR**
 10 **CERTAIN PRODUCTIONS.**

11 (a) IN GENERAL.—Section 181(g) is amended by
 12 striking “December 31, 2016” and inserting “December
 13 31, 2017”.

14 (b) EFFECTIVE DATE.—The amendment made by
 15 this section shall apply to productions commencing after
 16 December 31, 2016.

17 **SEC. 210. EXTENSION OF DEDUCTION ALLOWABLE WITH**
 18 **RESPECT TO INCOME ATTRIBUTABLE TO DO-**
 19 **MESTIC PRODUCTION ACTIVITIES IN PUERTO**
 20 **RICO.**

21 (a) IN GENERAL.—Section 199(d)(8)(C) is amend-
 22 ed—

23 (1) by striking “first 11 taxable years” and in-
 24 serting “first 12 taxable years”, and

25 (2) by striking “January 1, 2017” and insert-
 26 ing “January 1, 2018”.

1 (b) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to taxable years beginning after
3 December 31, 2016.

4 **SEC. 211. EXTENSION OF SPECIAL RULE RELATING TO**
5 **QUALIFIED TIMBER GAIN.**

6 (a) IN GENERAL.—Section 1201(b) is amended by
7 striking “2016” and inserting “2016 or 2017”.

8 (b) EFFECTIVE DATE.—The amendment made by
9 this section shall apply to taxable years beginning after
10 December 31, 2016.

11 **SEC. 212. EXTENSION OF EMPOWERMENT ZONE TAX INCEN-**
12 **TIVES.**

13 (a) IN GENERAL.—

14 (1) EXTENSION.—Section 1391(d)(1)(A)(i) is
15 amended by striking “December 31, 2016” and in-
16 serting “December 31, 2018”.

17 (2) TREATMENT OF CERTAIN TERMINATION
18 DATES SPECIFIED IN NOMINATIONS.—In the case of
19 a designation of an empowerment zone the nomina-
20 tion for which included a termination date which is
21 contemporaneous with the date specified in subpara-
22 graph (A)(i) of section 1391(d)(1) of the Internal
23 Revenue Code of 1986 (as in effect before the enact-
24 ment of this Act), subparagraph (B) of such section
25 shall not apply with respect to such designation if,

1 after the date of the enactment of this section, the
2 entity which made such nomination amends the
3 nomination to provide for a new termination date in
4 such manner as the Secretary of the Treasury (or
5 the Secretary's designee) may provide.

6 (b) EFFECTIVE DATE.—The amendment made by
7 subsection (a)(1) shall apply to taxable years beginning
8 after December 31, 2016.

9 **SEC. 213. EXTENSION OF TEMPORARY INCREASE IN LIMIT**
10 **ON COVER OVER OF RUM EXCISE TAXES TO**
11 **PUERTO RICO AND THE VIRGIN ISLANDS.**

12 (a) IN GENERAL.—Section 7652(f)(1) is amended by
13 striking “January 1, 2017” and inserting “January 1,
14 2019”.

15 (b) EFFECTIVE DATE.—The amendment made by
16 this section shall apply to distilled spirits brought into the
17 United States after December 31, 2016.

18 **SEC. 214. EXTENSION OF AMERICAN SAMOA ECONOMIC DE-**
19 **VELOPMENT CREDIT.**

20 (a) IN GENERAL.—Section 119(d) of division A of
21 the Tax Relief and Health Care Act of 2006 is amended—

22 (1) by striking “January 1, 2017” each place
23 it appears and inserting “January 1, 2018”,

1 (2) by striking “first 11 taxable years” in para-
2 graph (1) and inserting “first 12 taxable years”,
3 and

4 (3) by striking “first 5 taxable years” in para-
5 graph (2) and inserting “first 6 taxable years”.

6 (b) EFFECTIVE DATE.—The amendments made by
7 this section shall apply to taxable years beginning after
8 December 31, 2016.

9 **TITLE III—INCENTIVES FOR EN-**
10 **ERGY PRODUCTION AND CON-**
11 **SERVATION**

12 **SEC. 301. EXTENSION OF CREDIT FOR NONBUSINESS EN-**
13 **ERGY PROPERTY.**

14 (a) IN GENERAL.—Section 25C(g)(2) is amended by
15 striking “December 31, 2016” and inserting “December
16 31, 2018”.

17 (b) EFFECTIVE DATE.—The amendment made by
18 this section shall apply to property placed in service after
19 December 31, 2016.

20 **SEC. 302. EXTENSION AND MODIFICATION OF CREDIT FOR**
21 **RESIDENTIAL ENERGY PROPERTY.**

22 (a) IN GENERAL.—Section 25D(h) is amended by
23 striking “December 31, 2016” and all that follows and
24 inserting “December 31, 2021.”.

25 (b) PHASEOUT.—

1 (1) IN GENERAL.—Section 25D(a) is amended
2 by striking “the sum of—” and all that follows and
3 inserting “the sum of the applicable percentages
4 of—

5 “(1) the qualified solar electric property ex-
6 penditures,

7 “(2) the qualified solar water heating property
8 expenditures,

9 “(3) the qualified fuel cell property expendi-
10 tures,

11 “(4) the qualified small wind energy property
12 expenditures, and

13 “(5) the qualified geothermal heat pump prop-
14 erty expenditures,

15 made by the taxpayer during such year.”.

16 (2) CONFORMING AMENDMENT.—Section
17 25D(g) is amended by striking “paragraphs (1) and
18 (2) of”.

19 (c) EFFECTIVE DATE.—The amendment made by
20 this section shall apply to property placed in service after
21 December 31, 2016.

1 **SEC. 303. EXTENSION OF CREDIT FOR NEW QUALIFIED**
2 **FUEL CELL MOTOR VEHICLES.**

3 (a) IN GENERAL.—Section 30B(k)(1) is amended by
4 striking “December 31, 2016” and inserting “December
5 31, 2018”.

6 (b) EFFECTIVE DATE.—The amendment made by
7 this section shall apply to property purchased after De-
8 cember 31, 2016.

9 **SEC. 304. EXTENSION OF CREDIT FOR ALTERNATIVE FUEL**
10 **VEHICLE REFUELING PROPERTY.**

11 (a) IN GENERAL.—Section 30C(g) is amended by
12 striking “December 31, 2016” and inserting “December
13 31, 2018”.

14 (b) EFFECTIVE DATE.—The amendment made by
15 this section shall apply to property placed in service after
16 December 31, 2016.

17 **SEC. 305. EXTENSION OF CREDIT FOR 2-WHEELED PLUG-IN**
18 **ELECTRIC VEHICLES.**

19 (a) IN GENERAL.—Section 30D(g)(3)(E)(ii) is
20 amended by striking “January 1, 2017” and inserting
21 “January 1, 2019”.

22 (b) EFFECTIVE DATE.—The amendment made by
23 this section shall apply to vehicles acquired after Decem-
24 ber 31, 2016.

1 **SEC. 306. EXTENSION OF SECOND GENERATION BIOFUEL**
2 **PRODUCER CREDIT.**

3 (a) IN GENERAL.—Section 40(b)(6)(J)(i) is amended
4 by striking “January 1, 2017” and inserting “January 1,
5 2019”.

6 (b) EFFECTIVE DATE.—The amendment made by
7 this section shall apply to qualified second generation
8 biofuel production after December 31, 2016.

9 **SEC. 307. EXTENSION OF BIODIESEL AND RENEWABLE DIE-**
10 **SEL INCENTIVES.**

11 (a) INCOME TAX CREDIT.—

12 (1) IN GENERAL.—Subsection (g) of section
13 40A is amended by striking “December 31, 2016”
14 and inserting “December 31, 2018”.

15 (2) EFFECTIVE DATE.—The amendment made
16 by this subsection shall apply to fuel sold or used
17 after December 31, 2016.

18 (b) EXCISE TAX INCENTIVES.—

19 (1) IN GENERAL.—Section 6426(c)(6) is
20 amended by striking “December 31, 2016” and in-
21 serting “December 31, 2018”.

22 (2) PAYMENTS.—Section 6427(e)(6)(B) is
23 amended by striking “December 31, 2016” and in-
24 serting “December 31, 2018”.

1 (3) EFFECTIVE DATE.—The amendments made
2 by this subsection shall apply to fuel sold or used
3 after December 31, 2016.

4 (4) SPECIAL RULE FOR 2017.—Notwithstanding
5 any other provision of law, in the case of any bio-
6 diesel mixture credit properly determined under sec-
7 tion 6426(c) of the Internal Revenue Code of 1986
8 for the period beginning on January 1, 2017, and
9 ending on December 31, 2017, such credit shall be
10 allowed, and any refund or payment attributable to
11 such credit (including any payment under section
12 6427(e) of such Code) shall be made, only in such
13 manner as the Secretary of the Treasury (or the
14 Secretary’s delegate) shall provide. Such Secretary
15 shall issue guidance within 30 days after the date of
16 the enactment of this Act providing for a one-time
17 submission of claims covering periods described in
18 the preceding sentence. Such guidance shall provide
19 for a 180-day period for the submission of such
20 claims (in such manner as prescribed by such Sec-
21 retary) to begin not later than 30 days after such
22 guidance is issued. Such claims shall be paid by such
23 Secretary not later than 60 days after receipt. If
24 such Secretary has not paid pursuant to a claim
25 filed under this subsection within 60 days after the

1 date of the filing of such claim, the claim shall be
2 paid with interest from such date determined by
3 using the overpayment rate and method under sec-
4 tion 6621 of such Code.

5 **SEC. 308. EXTENSION OF PRODUCTION CREDIT FOR INDIAN**
6 **COAL FACILITIES.**

7 (a) IN GENERAL.—Section 45(e)(10)(A) is amended
8 by striking “11-year period” each place it appears and in-
9 serting “13-year period”.

10 (b) EFFECTIVE DATE.—The amendment made by
11 this section shall apply to coal produced after December
12 31, 2016.

13 **SEC. 309. EXTENSION OF CREDITS WITH RESPECT TO FA-**
14 **CILITIES PRODUCING ENERGY FROM CER-**
15 **TAIN RENEWABLE RESOURCES.**

16 (a) IN GENERAL.—The following provisions of sec-
17 tion 45(d) are each amended by striking “January 1,
18 2017” each place it appears and inserting “January 1,
19 2019”:

20 (1) Paragraph (2)(A).

21 (2) Paragraph (3)(A).

22 (3) Paragraph (4)(B).

23 (4) Paragraph (6).

24 (5) Paragraph (7).

25 (6) Paragraph (9).

1 (7) Paragraph (11)(B).

2 (b) EXTENSION OF ELECTION TO TREAT QUALIFIED
3 FACILITIES AS ENERGY PROPERTY.—Section
4 48(a)(5)(C)(ii) is amended by striking “January 1, 2017”
5 and inserting “January 1, 2019”.

6 (c) EFFECTIVE DATE.—The amendments made by
7 this section shall take effect on January 1, 2017.

8 **SEC. 310. EXTENSION OF CREDIT FOR ENERGY-EFFICIENT**
9 **NEW HOMES.**

10 (a) IN GENERAL.—Section 45L(g) is amended by
11 striking “December 31, 2016” and inserting “December
12 31, 2018”.

13 (b) EFFECTIVE DATE.—The amendment made by
14 this section shall apply to homes acquired after December
15 31, 2016.

16 **SEC. 311. EXTENSION AND PHASEOUT OF ENERGY CREDIT.**

17 (a) CREDIT PERCENTAGE FOR GEOTHERMAL EN-
18 ERGY PROPERTY.—Section 48(a)(2)(A)(i)(II) is amended
19 by striking “paragraph (3)(A)(i)” and inserting “clause
20 (i) or (iii) of paragraph (3)(A)”.

21 (b) EXTENSION OF SOLAR AND THERMAL ENERGY
22 PROPERTY.—Section 48(a)(3)(A) is amended—

23 (1) by striking “periods ending before January
24 1, 2017” in clause (ii) and inserting “property the

1 construction of which begins before January 1,
2 2022”, and

3 (2) by striking “periods ending before January
4 1, 2017” in clause (vii) and inserting “property the
5 construction of which begins before January 1,
6 2022”.

7 (c) PHASEOUT OF 30-PERCENT CREDIT RATE FOR
8 GEOTHERMAL ENERGY PROPERTY.—Section 48(a)(6) is
9 amended—

10 (1) by inserting “AND GEOTHERMAL” after
11 “SOLAR” in the heading,

12 (2) by striking “paragraph (3)(A)(i)” in sub-
13 paragraph (A) and inserting “clause (i) or (iii) of
14 paragraph (3)(A)”, and

15 (3) by striking “property energy property de-
16 scribed in paragraph (3)(A)(i)” in subparagraph (B)
17 and inserting “energy property described in clause
18 (i) or (iii) of paragraph (3)(A)”.

19 (d) PHASEOUT OF 30-PERCENT CREDIT RATE FOR
20 FIBER-OPTIC SOLAR, QUALIFIED FUEL CELL, AND
21 QUALIFIED SMALL WIND ENERGY PROPERTY.—

22 (1) IN GENERAL.—Section 48(a) is amended by
23 adding at the end the following new paragraph:

1 “(7) PHASEOUT FOR FIBER-OPTIC SOLAR,
2 QUALIFIED FUEL CELL, AND QUALIFIED SMALL
3 WIND ENERGY PROPERTY.—

4 “(A) IN GENERAL.—In the case of any
5 qualified fuel cell property, qualified small wind
6 property, or energy property described in para-
7 graph (3)(A)(ii), the energy percentage deter-
8 mined under paragraph (2) shall be equal to—

9 “(i) in the case of any property the
10 construction of which begins after Decem-
11 ber 31, 2019, and before January 1, 2021,
12 26 percent, and

13 “(ii) in the case of any property the
14 construction of which begins after Decem-
15 ber 31, 2020, and before January 1, 2022,
16 22 percent.

17 “(B) PLACED IN SERVICE DEADLINE.—In
18 the case of any energy property described in
19 subparagraph (A) which is not placed in service
20 before January 1, 2024, the energy percentage
21 determined under paragraph (2) shall be equal
22 to 0 percent.”.

23 (2) CONFORMING AMENDMENT.—Section
24 48(a)(2)(A) is amended by striking “paragraph (6)”
25 and inserting “paragraphs (6) and (7)”.

1 (3) CLARIFICATION RELATING TO PHASEOUT
2 FOR WIND FACILITIES.—Section 48(a)(5)(E) is
3 amended by inserting “which is treated as energy
4 property by reason of this paragraph” after “using
5 wind to produce electricity”.

6 (e) EXTENSION OF QUALIFIED FUEL CELL PROP-
7 PERTY.—Section 48(c)(1)(D) is amended by striking “for
8 any period after December 31, 2016” and inserting “the
9 construction of which does not begin before January 1,
10 2022”.

11 (f) EXTENSION OF QUALIFIED MICROTURBINE
12 PROPERTY.—Section 48(c)(2)(D) is amended by striking
13 “for any period after December 31, 2016” and inserting
14 “the construction of which does not begin before January
15 1, 2022”.

16 (g) EXTENSION OF COMBINED HEAT AND POWER
17 SYSTEM PROPERTY.—Section 48(c)(3)(A)(iv) is amended
18 by striking “which is placed in service before January 1,
19 2017” and inserting “the construction of which begins be-
20 fore January 1, 2022”.

21 (h) EXTENSION OF QUALIFIED SMALL WIND EN-
22 ERGY PROPERTY.—Section 48(c)(4)(C) is amended by
23 striking “for any period after December 31, 2016” and
24 inserting “the construction of which does not begin before
25 January 1, 2022”.

1 (i) EFFECTIVE DATE.—The amendments made by
2 this section shall take effect on January 1, 2017.

3 **SEC. 312. EXTENSION OF SPECIAL ALLOWANCE FOR SEC-**
4 **OND GENERATION BIOFUEL PLANT PROP-**
5 **ERTY.**

6 (a) IN GENERAL.—Section 168(l)(2)(D) is amended
7 by striking “January 1, 2017” and inserting “January 1,
8 2019”.

9 (b) EFFECTIVE DATE.—The amendment made by
10 this section shall apply to property placed in service after
11 December 31, 2016.

12 **SEC. 313. EXTENSION OF ENERGY EFFICIENT COMMERCIAL**
13 **BUILDINGS DEDUCTION.**

14 (a) IN GENERAL.—Section 179D(h) is amended by
15 striking “December 31, 2016” and inserting “December
16 31, 2018”.

17 (b) EFFECTIVE DATE.—The amendment made by
18 this section shall apply to property placed in service after
19 December 31, 2016.

1 **SEC. 314. EXTENSION OF SPECIAL RULE FOR SALES OR DIS-**
2 **POSITIONS TO IMPLEMENT FERC OR STATE**
3 **ELECTRIC RESTRUCTURING POLICY FOR**
4 **QUALIFIED ELECTRIC UTILITIES.**

5 (a) IN GENERAL.—Section 451(i)(3) is amended by
6 striking “January 1, 2017” and inserting “January 1,
7 2019”.

8 (b) EFFECTIVE DATE.—The amendment made by
9 this section shall apply to dispositions after December 31,
10 2016.

11 **SEC. 315. EXTENSION OF EXCISE TAX CREDITS RELATING**
12 **TO ALTERNATIVE FUELS.**

13 (a) EXTENSION OF ALTERNATIVE FUELS EXCISE
14 TAX CREDITS.—

15 (1) IN GENERAL.—Sections 6426(d)(5) and
16 6426(e)(3) are each amended by striking “December
17 31, 2016” and inserting “December 31, 2018”.

18 (2) OUTLAY PAYMENTS FOR ALTERNATIVE
19 FUELS.—Section 6427(e)(6)(C) is amended by strik-
20 ing “December 31, 2016” and inserting “December
21 31, 2018”.

22 (3) EFFECTIVE DATE.—The amendments made
23 by this subsection shall apply to fuel sold or used
24 after December 31, 2016.

25 (b) SPECIAL RULE FOR 2017.—Notwithstanding any
26 other provision of law, in the case of any alternative fuel

1 credit properly determined under section 6426(d) of the
2 Internal Revenue Code of 1986 for the period beginning
3 on January 1, 2017, and ending on December 31, 2017,
4 such credit shall be allowed, and any refund or payment
5 attributable to such credit (including any payment under
6 section 6427(e) of such Code) shall be made, only in such
7 manner as the Secretary of the Treasury (or the Sec-
8 retary's delegate) shall provide. Such Secretary shall issue
9 guidance within 30 days after the date of the enactment
10 of this Act providing for a one-time submission of claims
11 covering periods described in the preceding sentence. Such
12 guidance shall provide for a 180-day period for the sub-
13 mission of such claims (in such manner as prescribed by
14 such Secretary) to begin not later than 30 days after such
15 guidance is issued. Such claims shall be paid by such Sec-
16 retary not later than 60 days after receipt. If such Sec-
17 retary has not paid pursuant to a claim filed under this
18 subsection within 60 days after the date of the filing of
19 such claim, the claim shall be paid with interest from such
20 date determined by using the overpayment rate and meth-
21 od under section 6621 of such Code.

1 **SEC. 316. EXTENSION OF OIL SPILL LIABILITY TRUST FUND**
2 **FINANCING RATE.**

3 (a) IN GENERAL.—Section 4611(f)(2) is amended by
4 striking “December 31, 2017” and inserting “December
5 31, 2018”.

6 (b) EFFECTIVE DATE.—The amendment made by
7 this section shall apply on and after January 1, 2018.

8 **TITLE IV—MODIFICATIONS OF**
9 **ENERGY INCENTIVES**

10 **SEC. 401. MODIFICATIONS OF CREDIT FOR PRODUCTION**
11 **FROM ADVANCED NUCLEAR POWER FACILI-**
12 **TIES.**

13 (a) TREATMENT OF UNUTILIZED LIMITATION
14 AMOUNTS.—Section 45J(b) is amended—

15 (1) by inserting “or any amendment to” after
16 “enactment of” in paragraph (4), and

17 (2) by adding at the end the following new
18 paragraph:

19 “(5) ALLOCATION OF UNUTILIZED LIMITA-
20 TION.—

21 “(A) IN GENERAL.—Any unutilized na-
22 tional megawatt capacity limitation shall be al-
23 located by the Secretary under paragraph (3)
24 as rapidly as is practicable after December 31,
25 2020—

1 “(i) first to facilities placed in service
2 on or before such date to the extent that
3 such facilities did not receive an allocation
4 equal to their full nameplate capacity, and

5 “(ii) then to facilities placed in service
6 after such date in the order in which such
7 facilities are placed in service.

8 “(B) UNUTILIZED NATIONAL MEGAWATT
9 CAPACITY LIMITATION.—The term ‘unutilized
10 national megawatt capacity limitation’ means
11 the excess (if any) of—

12 “(i) 6,000 megawatts, over

13 “(ii) the aggregate amount of national
14 megawatt capacity limitation allocated by
15 the Secretary before January 1, 2021, re-
16 duced by any amount of such limitation
17 which was allocated to a facility which was
18 not placed in service before such date.

19 “(C) COORDINATION WITH OTHER PROVI-
20 SIONS.—In the case of any unutilized national
21 megawatt capacity limitation allocated by the
22 Secretary pursuant to this paragraph—

23 “(i) such allocation shall be treated
24 for purposes of this section in the same

1 manner as an allocation of national mega-
 2 watt capacity limitation, and

3 “(ii) subsection (d)(1)(B) shall not
 4 apply to any facility which receives such al-
 5 location.”.

6 (b) TRANSFER OF CREDIT BY CERTAIN PUBLIC EN-
 7 TITIES.—

8 (1) IN GENERAL.—Section 45J is amended—

9 (A) by redesignating subsection (e) as sub-
 10 section (f), and

11 (B) by inserting after subsection (d) the
 12 following new subsection:

13 “(e) TRANSFER OF CREDIT BY CERTAIN PUBLIC EN-
 14 TITIES.—

15 “(1) IN GENERAL.—If, with respect to a credit
 16 under subsection (a) for any taxable year—

17 “(A) a qualified public entity would be the
 18 taxpayer (but for this paragraph), and

19 “(B) such entity elects the application of
 20 this paragraph for such taxable year with re-
 21 spect to all (or any portion specified in such
 22 election) of such credit,

23 the eligible project partner specified in such election,
 24 and not the qualified public entity, shall be treated

1 as the taxpayer for purposes of this title with re-
2 spect to such credit (or such portion thereof).

3 “(2) DEFINITIONS.—For purposes of this sub-
4 section—

5 “(A) QUALIFIED PUBLIC ENTITY.—The
6 term ‘qualified public entity’ means—

7 “(i) a Federal, State, or local govern-
8 ment entity, or any political subdivision,
9 agency, or instrumentality thereof,

10 “(ii) a mutual or cooperative electric
11 company described in section 501(c)(12) or
12 1381(a)(2), or

13 “(iii) a not-for-profit electric utility
14 which had or has received a loan or loan
15 guarantee under the Rural Electrification
16 Act of 1936.

17 “(B) ELIGIBLE PROJECT PARTNER.—The
18 term ‘eligible project partner’ means any person
19 who—

20 “(i) is responsible for, or participates
21 in, the design or construction of the ad-
22 vanced nuclear power facility to which the
23 credit under subsection (a) relates,

1 “(ii) participates in the provision of
2 the nuclear steam supply system to such
3 facility,

4 “(iii) participates in the provision of
5 nuclear fuel to such facility,

6 “(iv) is a financial institution pro-
7 viding financing for the construction or op-
8 eration of such facility, or

9 “(v) has an ownership interest in such
10 facility.

11 “(3) SPECIAL RULES.—

12 “(A) APPLICATION TO PARTNERSHIPS.—In
13 the case of a credit under subsection (a) which
14 is determined at the partnership level—

15 “(i) for purposes of paragraph (1)(A),
16 a qualified public entity shall be treated as
17 the taxpayer with respect to such entity’s
18 distributive share of such credit, and

19 “(ii) the term ‘eligible project partner’
20 shall include any partner of the partner-
21 ship.

22 “(B) TAXABLE YEAR IN WHICH CREDIT
23 TAKEN INTO ACCOUNT.—In the case of any
24 credit (or portion thereof) with respect to which
25 an election is made under paragraph (1), such

1 credit shall be taken into account in the first
2 taxable year of the eligible project partner end-
3 ing with, or after, the qualified public entity's
4 taxable year with respect to which the credit
5 was determined.

6 “(C) TREATMENT OF TRANSFER UNDER
7 PRIVATE USE RULES.—For purposes of section
8 141(b)(1), any benefit derived by an eligible
9 project partner in connection with an election
10 under this subsection shall not be taken into ac-
11 count as a private business use.”.

12 (2) SPECIAL RULE FOR PROCEEDS OF TRANS-
13 FERS FOR MUTUAL OR COOPERATIVE ELECTRIC
14 COMPANIES.—Section 501(c)(12) is amended by
15 adding at the end the following new subparagraph:

16 “(I) In the case of a mutual or cooperative
17 electric company described in this paragraph or
18 an organization described in section 1381(a)(2),
19 income received or accrued in connection with
20 an election under section 45J(e)(1) shall be
21 treated as an amount collected from members
22 for the sole purpose of meeting losses and ex-
23 penses.”.

24 (c) EFFECTIVE DATES.—

1 (1) TREATMENT OF UNUTILIZED LIMITATION
2 AMOUNTS.—The amendment made by subsection (a)
3 shall take effect on the date of the enactment of this
4 Act.

5 (2) TRANSFER OF CREDIT BY CERTAIN PUBLIC
6 ENTITIES.—The amendments made by subsection
7 (b) shall apply to taxable years beginning after the
8 date of the enactment of this Act.

9 **SEC. 402. ENHANCEMENT OF CARBON DIOXIDE SEQUES-**
10 **TRATION CREDIT.**

11 (a) IN GENERAL.—Section 45Q is amended to read
12 as follows:

13 **“SEC. 45Q. CREDIT FOR CARBON OXIDE SEQUESTRATION.**

14 “(a) GENERAL RULE.—For purposes of section 38,
15 the carbon oxide sequestration credit for any taxable year
16 is an amount equal to the sum of—

17 “(1) \$20 per metric ton of qualified carbon
18 oxide which is—

19 “(A) captured by the taxpayer using car-
20 bon capture equipment which is originally
21 placed in service at a qualified facility before
22 the date of the enactment of the Tax Extender
23 Act of 2017, and

1 “(B) disposed of by the taxpayer in secure
2 geological storage and not used by the taxpayer
3 as described in paragraph (2)(B),

4 “(2) \$10 per metric ton of qualified carbon
5 oxide which is—

6 “(A) captured by the taxpayer using car-
7 bon capture equipment which is originally
8 placed in service at a qualified facility before
9 the date of the enactment of the Tax Extender
10 Act of 2017, and

11 “(B)(i) used by the taxpayer as a tertiary
12 injectant in a qualified enhanced oil or natural
13 gas recovery project and disposed of by the tax-
14 payer in secure geological storage, or

15 “(ii) utilized by the taxpayer in a manner
16 described in subsection (f)(5),

17 “(3) the applicable dollar amount per metric
18 ton of qualified carbon oxide which is—

19 “(A) captured by the taxpayer using car-
20 bon capture equipment which is originally
21 placed in service at a qualified facility on or
22 after the date of the enactment of the Tax Ex-
23 tender Act of 2017, during the 12-year period
24 beginning on the date the equipment was origi-
25 nally placed in service, and

1 “(B) disposed of by the taxpayer in secure
2 geological storage and not used by the taxpayer
3 as described in paragraph (4)(B), and

4 “(4) the applicable dollar amount per metric
5 ton of qualified carbon oxide which is—

6 “(A) captured by the taxpayer using car-
7 bon capture equipment which is originally
8 placed in service at a qualified facility on or
9 after the date of the enactment of the Tax Ex-
10 tender Act of 2017, during the 12-year period
11 beginning on the date the equipment was origi-
12 nally placed in service, and

13 “(B)(i) used by the taxpayer as a tertiary
14 injectant in a qualified enhanced oil or natural
15 gas recovery project and disposed of by the tax-
16 payer in secure geological storage, or

17 “(ii) utilized by the taxpayer in a manner
18 described in subsection (f)(5).

19 “(b) APPLICABLE DOLLAR AMOUNT; ADDITIONAL
20 EQUIPMENT; ELECTION.—

21 “(1) APPLICABLE DOLLAR AMOUNT.—

22 “(A) IN GENERAL.—For purposes of this
23 section, the applicable dollar amount shall be an
24 amount equal to—

1 “(i) for any taxable year beginning in
2 a calendar year after 2016 and ending be-
3 fore 2027—

4 “(I) for purposes of paragraph
5 (3) of subsection (a), the dollar
6 amount established by linear inter-
7 polation between \$22.66 and \$50 for
8 each calendar year during such pe-
9 riod, and

10 “(II) for purposes of paragraph
11 (4) of such subsection, the dollar
12 amount established by linear inter-
13 polation between \$12.83 and \$35 for
14 each calendar year during such pe-
15 riod, and

16 “(ii) for any taxable year beginning in
17 a calendar year after 2026—

18 “(I) for purposes of paragraph
19 (3) of subsection (a), an amount equal
20 to the product of \$50 and the infla-
21 tion adjustment factor for such cal-
22 endar year determined under section
23 43(b)(3)(B) for such calendar year,
24 determined by substituting ‘2025’ for
25 ‘1990’, and

1 “(II) for purposes of paragraph
2 (4) of such subsection, an amount
3 equal to the product of \$35 and the
4 inflation adjustment factor for such
5 calendar year determined under sec-
6 tion 43(b)(3)(B) for such calendar
7 year, determined by substituting
8 ‘2025’ for ‘1990’.

9 “(B) ROUNDING.—The applicable dollar
10 amount determined under subparagraph (A)
11 shall be rounded to the nearest cent.

12 “(2) INSTALLATION OF ADDITIONAL CARBON
13 CAPTURE EQUIPMENT ON EXISTING QUALIFIED FA-
14 CILITY.—In the case of a qualified facility placed in
15 service before the date of the enactment of the Tax
16 Extender Act of 2017, for which additional carbon
17 capture equipment is placed in service on or after
18 the date of the enactment of such Act, the amount
19 of qualified carbon oxide which is captured by the
20 taxpayer shall be equal to—

21 “(A) for purposes of paragraphs (1)(A)
22 and (2)(A) of subsection (a), the lesser of—

23 “(i) the total amount of qualified car-
24 bon oxide captured at such facility for the
25 taxable year, or

1 “(ii) the total amount of the carbon
2 dioxide capture capacity of the carbon cap-
3 ture equipment in service at such facility
4 on the day before the date of the enact-
5 ment of the Tax Extender Act of 2017,
6 and

7 “(B) for purposes of paragraphs (3)(A)
8 and (4)(A) of such subsection, an amount (not
9 less than zero) equal to the excess of—

10 “(i) the amount described in clause (i)
11 of subparagraph (A), over

12 “(ii) the amount described in clause
13 (ii) of such subparagraph.

14 “(3) ELECTION.—For purposes of determining
15 the carbon oxide sequestration credit under this sec-
16 tion, a taxpayer may elect to have the dollar
17 amounts applicable under paragraph (1) or (2) of
18 subsection (a) apply in lieu of the dollar amounts
19 applicable under paragraph (3) or (4) of such sub-
20 section for each metric ton of qualified carbon oxide
21 which is captured by the taxpayer using carbon cap-
22 ture equipment which is originally placed in service
23 at a qualified facility on or after the date of the en-
24 actment of the Tax Extender Act of 2017.

1 “(c) QUALIFIED CARBON OXIDE.—For purposes of
2 this section—

3 “(1) IN GENERAL.—The term ‘qualified carbon
4 oxide’ means—

5 “(A) any carbon dioxide which—

6 “(i) is captured from an industrial
7 source by carbon capture equipment which
8 is originally placed in service before the
9 date of the enactment of the Tax Extender
10 Act of 2017,

11 “(ii) would otherwise be released into
12 the atmosphere as industrial emission of
13 greenhouse gas or lead to such release, and

14 “(iii) is measured at the source of
15 capture and verified at the point of dis-
16 posal, injection, or utilization,

17 “(B) any carbon dioxide or other carbon
18 oxide which—

19 “(i) is captured from an industrial
20 source by carbon capture equipment which
21 is originally placed in service on or after
22 the date of the enactment of the Tax Ex-
23 tender Act of 2017,

1 “(ii) would otherwise be released into
2 the atmosphere as industrial emission of
3 greenhouse gas or lead to such release, and

4 “(iii) is measured at the source of
5 capture and verified at the point of dis-
6 posal, injection, or utilization, or

7 “(C) in the case of a direct air capture fa-
8 cility, any carbon dioxide which—

9 “(i) is captured directly from the am-
10 bient air, and

11 “(ii) is measured at the source of cap-
12 ture and verified at the point of disposal,
13 injection, or utilization.

14 “(2) RECYCLED CARBON OXIDE.—The term
15 ‘qualified carbon oxide’ includes the initial deposit of
16 captured carbon oxide used as a tertiary injectant.
17 Such term does not include carbon oxide that is re-
18 captured, recycled, and re-injected as part of the en-
19 hanced oil and natural gas recovery process.

20 “(d) QUALIFIED FACILITY.—For purposes of this
21 section, the term ‘qualified facility’ means any industrial
22 facility or direct air capture facility—

23 “(1) the construction of which begins before
24 January 1, 2024, and—

1 “(A) construction of carbon capture equip-
2 ment begins before such date, or

3 “(B) the original planning and design for
4 such facility includes installation of carbon cap-
5 ture equipment, and

6 “(2) which captures—

7 “(A) in the case of a facility which emits
8 not more than 500,000 metric tons of carbon
9 oxide into the atmosphere during the taxable
10 year, not less than 25,000 metric tons of quali-
11 fied carbon oxide during the taxable year which
12 is utilized in a manner described in subsection
13 (f)(5),

14 “(B) in the case of an electricity gener-
15 ating facility which is not described in subpara-
16 graph (A), not less than 500,000 metric tons of
17 qualified carbon oxide during the taxable year,
18 or

19 “(C) in the case of a direct air capture fa-
20 cility or any facility not described in subpara-
21 graph (A) or (B), not less than 100,000 metric
22 tons of qualified carbon oxide during the tax-
23 able year.

24 “(e) DEFINITIONS.—For purposes of this section—

25 “(1) DIRECT AIR CAPTURE FACILITY.—

1 “(A) IN GENERAL.—Subject to subpara-
2 graph (B), the term ‘direct air capture facility’
3 means any facility which uses carbon capture
4 equipment to capture carbon dioxide directly
5 from the ambient air.

6 “(B) EXCEPTION.—The term ‘direct air
7 capture facility’ shall not include any facility
8 which captures carbon dioxide—

9 “(i) which is deliberately released
10 from naturally occurring subsurface
11 springs, or

12 “(ii) using natural photosynthesis.

13 “(2) QUALIFIED ENHANCED OIL OR NATURAL
14 GAS RECOVERY PROJECT.—The term ‘qualified en-
15 hanced oil or natural gas recovery project’ has the
16 meaning given the term ‘qualified enhanced oil re-
17 covery project’ by section 43(c)(2), determined—

18 “(A) by substituting ‘crude oil or natural
19 gas’ for ‘crude oil’ in subparagraph (A)(i)
20 thereof, and

21 “(B) without regard to subparagraph
22 (A)(iii) thereof.

23 “(3) TERTIARY INJECTANT.—The term ‘ter-
24 tiary injectant’ has the same meaning as when used
25 within section 193(b)(1).

1 “(f) SPECIAL RULES.—

2 “(1) ONLY QUALIFIED CARBON OXIDE CAP-
3 TURED AND DISPOSED OF OR USED WITHIN THE
4 UNITED STATES TAKEN INTO ACCOUNT.—The credit
5 under this section shall apply only with respect to
6 qualified carbon oxide the capture and disposal, use,
7 or utilization of which is within—

8 “(A) the United States (within the mean-
9 ing of section 638(1)), or

10 “(B) a possession of the United States
11 (within the meaning of section 638(2)).

12 “(2) SECURE GEOLOGICAL STORAGE.—

13 “(A) IN GENERAL.—Not later than De-
14 cember 31, 2018, the Secretary, in consultation
15 with the Administrator of the Environmental
16 Protection Agency, the Secretary of Energy,
17 and the Secretary of the Interior, shall establish
18 regulations for determining adequate security
19 measures for the geological storage of carbon
20 dioxide under subsection (a) such that the car-
21 bon dioxide does not escape into the atmos-
22 phere. Such term shall include storage at deep
23 saline formations, oil and gas reservoirs, and
24 unmineable coal seams under such conditions as

1 the Secretary may determine under such regu-
2 lations.

3 “(B) REQUIREMENTS.—The regulations
4 established pursuant to subparagraph (A) shall
5 provide that—

6 “(i) for purposes of paragraph (1)(B)
7 or (3)(B) of subsection (a), carbon dioxide
8 shall be considered disposed of in secure
9 geological storage if such carbon dioxide is
10 stored in compliance with rules promul-
11 gated by the Environmental Protection
12 Agency under subpart RR of part 98 of
13 title 40, Code of Federal Regulations (as
14 in effect on the date of the enactment of
15 this paragraph), under the Clean Air Act
16 (42 U.S.C. 7401 et seq.) and rules under
17 the Safe Drinking Water Act (42 U.S.C.
18 300f et seq.) which are applicable to car-
19 bon dioxide disposed of in secure geological
20 storage and not used as a tertiary
21 injectant in a qualified enhanced oil or nat-
22 ural gas recovery project, and

23 “(ii) for purposes of paragraph
24 (2)(B)(i) or (4)(B)(i) of subsection (a),
25 carbon dioxide shall be considered disposed

1 of in secure geological storage if such car-
2 bon dioxide is stored in compliance with
3 rules promulgated by the Environmental
4 Protection Agency which are applicable to
5 carbon dioxide used as a tertiary injectant
6 in a qualified enhanced oil or natural gas
7 recovery project under—

8 “(I) subpart UU of part 98 of
9 title 40, Code of Federal Regulations
10 (as in effect on the date of the enact-
11 ment of this paragraph), under the
12 Clean Air Act, and

13 “(II) subpart C of part 146 of
14 title 40, Code of Federal Regulations
15 (as in effect on the date of the enact-
16 ment of this paragraph), under the
17 Safe Drinking Water Act, to the ex-
18 tent such rules are applicable to Class
19 II wells.

20 “(3) CREDIT ATTRIBUTABLE TO TAXPAYER.—

21 “(A) IN GENERAL.—Except as provided in
22 subparagraph (B) or in any regulations pre-
23 scribed by the Secretary, any credit under this
24 section shall be attributable to—

1 “(i) in the case of qualified carbon
2 oxide captured using carbon capture equip-
3 ment which is originally placed in service
4 at a qualified facility before the date of the
5 enactment of the Tax Extender Act of
6 2017, the person that captures and phys-
7 ically or contractually ensures the disposal,
8 utilization, or use as a tertiary injectant of
9 such qualified carbon oxide, and

10 “(ii) in the case of qualified carbon
11 oxide captured using carbon capture equip-
12 ment which is originally placed in service
13 at a qualified facility on or after the date
14 of the enactment of the Tax Extender Act
15 of 2017, the person that owns the carbon
16 capture equipment and physically or con-
17 tractually ensures the capture and dis-
18 posal, utilization, or use as a tertiary
19 injectant of such qualified carbon oxide.

20 “(B) ELECTION.—If the person described
21 in subparagraph (A) makes an election under
22 this subparagraph in such time and manner as
23 the Secretary may prescribe by regulations, the
24 credit under this section—

1 “(i) shall be allowable to the person
2 that disposes of the qualified carbon oxide,
3 utilizes the qualified carbon oxide, or uses
4 the qualified carbon oxide as a tertiary
5 injectant, and

6 “(ii) shall not be allowable to the per-
7 son described in subparagraph (A).

8 “(4) RECAPTURE.—The Secretary shall, by reg-
9 ulations, provide for recapturing the benefit of any
10 credit allowable under subsection (a) with respect to
11 any qualified carbon oxide which ceases to be cap-
12 tured, disposed of, or used as a tertiary injectant in
13 a manner consistent with the requirements of this
14 section.

15 “(5) UTILIZATION OF QUALIFIED CARBON
16 OXIDE.—

17 “(A) IN GENERAL.—For purposes of this
18 section, utilization of qualified carbon oxide
19 means—

20 “(i) the fixation of such qualified car-
21 bon oxide through photosynthesis or
22 chemosynthesis, such as through the grow-
23 ing of algae or bacteria,

24 “(ii) the chemical conversion of such
25 qualified carbon oxide to a material or

1 chemical compound in which such qualified
2 carbon oxide is securely stored, or

3 “(iii) the use of such qualified carbon
4 oxide for any other purpose for which a
5 commercial market exists (with the excep-
6 tion of use as a tertiary injectant in a
7 qualified enhanced oil or natural gas recov-
8 ery project), as determined by the Sec-
9 retary.

10 “(B) MEASUREMENT.—

11 “(i) IN GENERAL.—For purposes of
12 determining the amount of qualified carbon
13 oxide utilized by the taxpayer under para-
14 graph (2)(B)(ii) or (4)(B)(ii) of subsection
15 (a), such amount shall be equal to the met-
16 ric tons of qualified carbon oxide which the
17 taxpayer demonstrates, based upon an
18 analysis of lifecycle greenhouse gas emis-
19 sions and subject to such requirements as
20 the Secretary, in consultation with the Sec-
21 retary of Energy and the Administrator of
22 the Environmental Protection Agency, de-
23 termines appropriate, were—

24 “(I) captured and permanently
25 isolated from the atmosphere, or

1 “(II) displaced from being emit-
2 ted into the atmosphere,
3 through use of a process described in sub-
4 paragraph (A).

5 “(ii) LIFECYCLE GREENHOUSE GAS
6 EMISSIONS.—For purposes of clause (i),
7 the term ‘lifecycle greenhouse gas emis-
8 sions’ has the same meaning given such
9 term under subparagraph (H) of section
10 211(o)(1) of the Clean Air Act (42 U.S.C.
11 7545(o)(1)), as in effect on the date of the
12 enactment of the Tax Extender Act of
13 2017, except that ‘product’ shall be sub-
14 stituted for ‘fuel’ each place it appears in
15 such subparagraph.

16 “(6) ELECTION FOR APPLICABLE FACILITIES.—

17 “(A) IN GENERAL.—For purposes of this
18 section, in the case of an applicable facility, for
19 any taxable year in which such facility captures
20 not less than 500,000 metric tons of qualified
21 carbon oxide during the taxable year, the per-
22 son described in paragraph (3)(A)(ii) may elect
23 to have such facility, and any carbon capture
24 equipment placed in service at such facility,
25 deemed as having been placed in service on the

1 date of the enactment of the Tax Extender Act
2 of 2017.

3 “(B) APPLICABLE FACILITY.—For pur-
4 poses of this paragraph, the term ‘applicable fa-
5 cility’ means a qualified facility—

6 “(i) which was placed in service before
7 the date of the enactment of the Tax Ex-
8 tender Act of 2017, and

9 “(ii) for which no taxpayer claimed a
10 credit under this section in regards to such
11 facility for any taxable year ending before
12 the date of the enactment of such Act.

13 “(7) INFLATION ADJUSTMENT.—In the case of
14 any taxable year beginning in a calendar year after
15 2009, there shall be substituted for each dollar
16 amount contained in paragraphs (1) and (2) of sub-
17 section (a) an amount equal to the product of—

18 “(A) such dollar amount, multiplied by

19 “(B) the inflation adjustment factor for
20 such calendar year determined under section
21 43(b)(3)(B) for such calendar year, determined
22 by substituting ‘2008’ for ‘1990’.

23 “(g) APPLICATION OF SECTION FOR CERTAIN CAR-
24 BON CAPTURE EQUIPMENT.—In the case of any carbon
25 capture equipment placed in service before the date of the

1 enactment of the Tax Extender Act of 2017, the credit
2 under this section shall apply with respect to qualified car-
3 bon oxide captured using such equipment before the end
4 of the calendar year in which the Secretary, in consulta-
5 tion with the Administrator of the Environmental Protec-
6 tion Agency, certifies that, during the period beginning
7 after October 3, 2008, a total of 75,000,000 metric tons
8 of qualified carbon oxide have been taken into account in
9 accordance with—

10 “(1) subsection (a) of this section, as in effect
11 on the day before the date of the enactment of the
12 Tax Extender Act of 2017, and

13 “(2) paragraphs (1) and (2) of subsection (a)
14 of this section.

15 “(h) REGULATIONS.—The Secretary may prescribe
16 such regulations and other guidance as may be necessary
17 or appropriate to carry out this section, including regula-
18 tions or other guidance to—

19 “(1) ensure proper allocation under subsection
20 (a) for qualified carbon oxide captured by a taxpayer
21 during the taxable year ending after the date of the
22 enactment of the Tax Extender Act of 2017, and

23 “(2) determine whether a facility satisfies the
24 requirements under subsection (d)(1) during such
25 taxable year.”.

1 (b) EFFECTIVE DATE.—The amendments made by
2 this section shall take effect on the date of the enactment
3 of this Act.

○