

113TH CONGRESS  
1ST SESSION

**S.** \_\_\_\_\_

To amend the Internal Revenue Code of 1986 to extend the publicly traded partnership ownership structure to energy power generation projects and transportation fuels, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

Mr. COONS (for himself, Mr. MORAN, Ms. STABENOW, and Ms. MURKOWSKI) introduced the following bill; which was read twice and referred to the Committee on \_\_\_\_\_

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**A BILL**

To amend the Internal Revenue Code of 1986 to extend the publicly traded partnership ownership structure to energy power generation projects and transportation fuels, 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.**

4       This Act may be cited as the “Master Limited Part-  
5       nerships Parity Act”.

1 **SEC. 2. EXTENSION OF PUBLICLY TRADED PARTNERSHIP**  
2 **OWNERSHIP STRUCTURE TO ENERGY POWER**  
3 **GENERATION PROJECTS, TRANSPORTATION**  
4 **FUELS, AND RELATED ENERGY ACTIVITIES.**

5 (a) IN GENERAL.—Subparagraph (E) of section  
6 7704(d)(1) of the Internal Revenue Code of 1986 is  
7 amended—

8 (1) by striking “income and gains derived from  
9 the exploration” and inserting “income and gains  
10 derived from the following:

11 “(i) MINERALS, NATURAL RE-  
12 SOURCES, ETC.—The exploration”,

13 (2) by inserting “or” before “industrial  
14 source”,

15 (3) by inserting a period after “carbon diox-  
16 ide”, and

17 (4) by striking “, or the transportation or stor-  
18 age” and all that follows and inserting the following:

19 “(ii) RENEWABLE ENERGY.—The gen-  
20 eration of electric power exclusively uti-  
21 lizing any resource described in section  
22 45(c)(1) or energy property described in  
23 section 48 (determined without regard to  
24 any termination date), or in the case of a  
25 facility described in paragraph (3) or (7)  
26 of section 45(d) (determined without re-

1           gard to any placed in service date or date  
2           by which construction of the facility is re-  
3           quired to begin), the accepting or proc-  
4           essing of such resource.

5           “(iii) ELECTRICITY STORAGE DE-  
6           VICES.—The receipt and sale of electric  
7           power that has been stored in a device di-  
8           rectly connected to the grid.

9           “(iv) COMBINED HEAT AND POWER.—  
10          The generation, storage, or distribution of  
11          thermal energy exclusively utilizing prop-  
12          erty described in section 48(c)(3) (deter-  
13          mined without regard to subparagraphs  
14          (B) and (D) thereof and without regard to  
15          any placed in service date).

16          “(v) RENEWABLE THERMAL EN-  
17          ERGY.—The generation, storage, or dis-  
18          tribution of thermal energy exclusively  
19          using any resource described in section  
20          45(c)(1) or energy property described in  
21          clause (i) or (iii) of section 48(a)(3)(A).

22          “(vi) WASTE HEAT TO POWER.—The  
23          use of recoverable waste energy, as defined  
24          in section 371(5) of the Energy Policy and  
25          Conservation Act (42 U.S.C. 6341(5)) (as

1 in effect on the date of the enactment of  
2 the Master Limited Partnerships Parity  
3 Act).

4 “(vii) RENEWABLE FUEL INFRA-  
5 STRUCTURE.—The storage or transpor-  
6 tation of any fuel described in subsection  
7 (b), (c), (d), or (e) of section 6426.

8 “(viii) RENEWABLE FUELS.—The pro-  
9 duction, storage, or transportation of any  
10 renewable fuel described in section  
11 211(o)(1)(J) of the Clean Air Act (42  
12 U.S.C. 7545(o)(1)(J)) (as in effect on the  
13 date of the enactment of the Master Lim-  
14 ited Partnerships Parity Act) or section  
15 40A(d)(1).

16 “(ix) RENEWABLE CHEMICALS.—The  
17 production , storage, or transportation of  
18 any renewable chemical (as defined in  
19 paragraph (6)).

20 “(x) ENERGY EFFICIENT BUILD-  
21 INGS.—The audit and installation through  
22 contract or other agreement of any energy  
23 efficient building property described in sec-  
24 tion 179D(c)(1).

1                   “(xi) GASIFICATION WITH SEQUES-  
2                   TRATION.—The production of any product  
3                   from a project that meets the requirements  
4                   of subparagraphs (A) and (B) of section  
5                   48B(c)(1) and that separates and seques-  
6                   ters in secure geological storage (as deter-  
7                   mined under section 45Q(d)(2)) at least 75  
8                   percent of such project’s total qualified  
9                   carbon dioxide (as defined in section  
10                  45Q(b)).

11                  “(xii) CARBON CAPTURE AND SEQUES-  
12                  TRATION.—The generation or storage of  
13                  electric power produced from any facility  
14                  which is a qualified facility described in  
15                  section 45Q(e) and which disposes of any  
16                  captured qualified carbon dioxide (as de-  
17                  fined in section 45Q(b)) in secure geologi-  
18                  cal storage (as determined under section  
19                  45Q(d)(2)).”.

20                  (b) RENEWABLE CHEMICAL.—Section 7704(d) of  
21                  such Code is amended by adding at the end the following  
22                  new paragraph:

23                  “(6) RENEWABLE CHEMICAL.—The term ‘re-  
24                  newable chemical’ means a monomer, polymer, plas-  
25                  tic, formulated product, or chemical substance pro-

1       duced from renewable biomass (as defined in section  
2       9001(12) of the Farm Security and Rural Invest-  
3       ment Act of 2002 (7 U.S.C. 8101(12), as in effect  
4       on the date of the enactment of the Master Limited  
5       Partnerships Parity Act).”.

6       (c) EFFECTIVE DATE.—The amendments made by  
7 this section shall take effect on the date of the enactment  
8 of this Act, in taxable years ending after such date.