

AMENDMENT NO. \_\_\_\_\_ Calendar No. \_\_\_\_\_

Purpose: To amend the American Recovery and Reinvestment Act of 2009 to extend and expand grants for specified energy property in lieu of tax credits, and for other purposes.

**IN THE SENATE OF THE UNITED STATES—111th Cong., 2d Sess.**

**H. R. 4213**

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

Referred to the Committee on \_\_\_\_\_ and  
ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT intended to be proposed by Ms. CANTWELL (for herself and Mr. LEMIEUX) to the amendment (No. 4301) proposed by Mr. BAUCUS

Viz:

1 At the end of subtitle A of title II, insert the fol-  
2 lowing:

3 **SEC. 2\_\_\_. EXTENSION AND EXPANSION OF GRANTS FOR**  
4 **SPECIFIED ENERGY PROPERTY IN LIEU OF**  
5 **TAX CREDITS.**

6 (a) EXTENSION.—

1           (1) IN GENERAL.—Subsection (a) of section  
2           1603 of division B of the American Recovery and  
3           Reinvestment Act of 2009 is amended—

4                   (A) in paragraph (1), by striking “2009 or  
5                   2010” and inserting “2009, 2010, 2011, or  
6                   2012”, and

7                   (B) in paragraph (2)—

8                           (i) by striking “after 2010” and in-  
9                           serting “after 2012”, and

10                           (ii) by striking “2009 or 2010” and  
11                           inserting “2009, 2010, 2011, or 2012”.

12           (2) CONFORMING AMENDMENT.—Subsection (j)  
13           of section 1603 of division B of such Act is amended  
14           by striking “2011” and inserting “2013”.

15           (b) EXPANSION OF GRANTS TO CERTAIN GOVERN-  
16           MENTAL UNITS AND CO-OPERATIVE ELECTRIC COMPA-  
17           NIES.—

18           (1) IN GENERAL.—

19                   (A) EXPANSION.—Section 1603(g) of divi-  
20                   sion B of the American Recovery and Reinvest-  
21                   ment Act of 2009 is amended—

22                           (i) in paragraph (1), by inserting  
23                           “other than a governmental unit which is  
24                           a State utility with a service obligation (as

1 such terms are defined in section 217 of  
2 the Federal Power Act)” after “thereof),”,

3 (ii) in paragraph (2), by inserting  
4 “other than a mutual or cooperative elec-  
5 tric company described in section  
6 501(e)(12) of such Code” after “such  
7 Code”, and

8 (iii) by striking paragraph (3) and re-  
9 designating paragraph (4) as paragraph  
10 (3).

11 (B) CONFORMING AMENDMENT.—Para-  
12 graph (3) of section 1603(g) of division B of  
13 such Act, as redesignated by subparagraph  
14 (A)(iii), is amended by striking “paragraph (1),  
15 (2), or (3)” and inserting “paragraph (1) or  
16 (2)”.

17 (2) SPECIAL RULE WITH RESPECT TO POWER  
18 MARKETING ADMINISTRATIONS AND TVA.—Section  
19 1603 of division B of such Act, as amended by sub-  
20 section (a), is amended by redesignating subsections  
21 (h), (i), and (j) as subsections (i), (j), and (k), re-  
22 spectively, and by inserting after subsection (g) the  
23 following new subsection:

24 “(h) CERTAIN PERSONS DEEMED ELIGIBLE.—Not-  
25 withstanding any other provision of this section—

1           “(1) the Tennessee Valley Authority shall be el-  
2           igible for a grant under this subsection, and

3           “(2) no person shall be considered to be ineli-  
4           gible for a grant under this section on the basis that  
5           such person has a contract or other business ar-  
6           rangement relating to the specified energy property  
7           with a power marketing administration (within the  
8           meaning of section 2605(a)(2) of the Energy Policy  
9           Act of 1992) or the Tennessee Valley Authority, in-  
10          cluding any contract to sell or assign the rights to  
11          the output from such specified energy property or  
12          any other contract or business arrangement under  
13          which the specified energy property is considered to  
14          be used by the power marketing administration or  
15          the Tennessee Valley Authority.”.

16          (c) NO GRANTS FOR PROPERTY FOR WHICH CREBS  
17          HAVE BEEN ISSUED.—Section 1603 of division B of such  
18          Act, as amended by this section, is amended by redesi-  
19          gnating subsections (h), (i), (j), and (k) as subsections (i),  
20          (j), (k) and (l), respectively, and by inserting after sub-  
21          section (g) the following new subsection:

22          “(h) EXCEPTION FOR CERTAIN PROJECTS.—The  
23          Secretary of the Treasury shall not make any grant under  
24          this section to any governmental unit or cooperative elec-  
25          tric company (as defined in section 54(j)(1)) with respect

1 to any specified energy property described in subsection  
2 (d)(1) if such entity has issued any bond—

3 “(1) which is designated as a clean renewable  
4 energy bond under section 54 of the Internal Rev-  
5 enue Code of 1986 or as a new clean renewable en-  
6 ergy bond under section 54C of such Code, and

7 “(2) the proceeds of which are used for expend-  
8 itures in connection with the same qualified facility  
9 with respect to which such specified energy property  
10 is a part.”.

11 (d) TREATMENT OF GRANTS FOR COOPERATIVE  
12 ELECTRIC COMPANIES.—Section 501(c)(12) of the Inter-  
13 nal Revenue Code of 1986 is amended by adding at the  
14 end the following new subparagraph:

15 “(I) In the case of a mutual or cooperative  
16 electric company described in this paragraph or  
17 an organization described in section  
18 1381(a)(2)(C), subparagraph (A) shall be ap-  
19 plied without taking into account any grant re-  
20 ceived under section 1603 of division B of the  
21 American Recovery and Reinvestment Act of  
22 2009.”.

23 (e) APPLICATION OF GRANTS FOR SPECIFIED EN-  
24 ERGY PROPERTY TO CERTAIN REGULATED COMPANIES.—  
25 The first sentence of section 1603(f) of division B of the

1 American Recovery and Reinvestment Act of 2009 is  
2 amended by inserting “(other than paragraph (2) of sub-  
3 section (d) thereof)” after “section 50 of the Internal Rev-  
4 enue Code of 1986”.

5 (f) APPLICATION OF GRANTS TO REITs.—The first  
6 sentence of section 1603(f) of division B of the American  
7 Recovery and Reinvestment Act of 2009, as amended by  
8 subsection (e), is amended by striking “paragraph (2)”  
9 and inserting “paragraphs (1) and (2)”.

10 (g) EFFECTIVE DATE.—

11 (1) IN GENERAL.—Except as provided in para-  
12 graph (2), the amendments made by this section  
13 shall apply to property placed in service after the  
14 date of the enactment of this Act.

15 (2) APPLICATION TO CERTAIN REGULATED  
16 COMPANIES.—The amendment made by subsections  
17 (b)(1), (d), and (e) shall take effect as if included  
18 in section 1603 of division B the American Recovery  
19 and Reinvestment Act of 2009.

20 **SEC. 2 \_\_\_\_ . TAXES ATTRIBUTABLE TO OIL SPILL LIABILITY**

21 **TRUST FUND FINANCING RATE NOT DEDUCT-**

22 **IBLE FOR CERTAIN TAXPAYERS.**

23 (a) IN GENERAL.—Section 275 is amended by redес-  
24 ignating subsection (b) as subsection (c) and by inserting  
25 after subsection (a) the following new subsection:

1           “(b) TAXES ON PETROLEUM PAID BY CERTAIN TAX-  
2 PAYERS.—

3           “(1) IN GENERAL.—In the case of any taxpayer  
4 who is a disqualified taxpayer for a taxable year, no  
5 deduction shall be allowed for such taxable year for  
6 so much of the taxes imposed under section 4611 as  
7 are attributable to the Oil Spill Liability trust Fund  
8 financing rate determined under section  
9 4611(c)(2)(B).

10           “(2) DISQUALIFIED TAXPAYER.—For purposes  
11 of this subsection, the term ‘disqualified taxpayer’  
12 means, with respect to any taxable year, any tax-  
13 payer who has gross revenues in excess of  
14 \$100,000,000 for such taxable year.”.

15           (b) EFFECTIVE DATE.—The amendments made by  
16 this section shall apply to taxes on crude oil received at  
17 a United States refinery and petroleum products entered  
18 into the United States after the date of the enactment of  
19 this Act.