

Permanent R&D Credit Amendment

Hatch Amendment #1 to the Chairman's Mark of a Bill to Extend Certain Expired Tax Provisions

Co-Sponsors: Isakson, Portman, Roberts, and Toomey

Short Title: Make the R&D Tax Credit Permanent

Description of Amendment: Consistent with proposals of every single president from Ronald Reagan to Barack Obama, this amendment would make permanent the section 41 Research & Development Tax Credit. In an effort to get the optimal amount of R&D performed, the R&D credit corrects for the spillovers, or positive externalities, from R&D. For its incentive effect to be maximized, it should be made permanent, so that company R&D budgets can be set with confidence in their ability to claim the credit.

Grassley-Cantwell Amendment

Grassley-Cantwell Amendment #1 to A *BILL TO EXTEND CERTAIN EXPIRED TAX PROVISIONS*

Cosponsors: Cantwell, Thune.

Short Title: Biodiesel Tax Incentive Reform Act

Purpose: To convert the biodiesel fuels credit from a mixture credit to a production credit.

Description of Amendment: The Chairman's Mark extends the biodiesel fuels credit contained in IRC 40A, 6426, and 6427(e) retroactively for all of 2015 and through 2016. The biofuels credit includes a \$1 per gallon biodiesel mixture credit, the \$1 per gallon biodiesel mixture excise tax credit, and the \$1 per gallon biodiesel credit for fuel not in a mixture. The excise tax credit is coordinated with the income tax credit for biodiesel such that credit for the same biodiesel cannot be claimed for both income and excise tax purposes. An additional 10 cents per gallon small agri-biodiesel producer credit is available for qualified small producers. This amendment would convert the biodiesel fuels credit to a \$1.00 per gallon production credit beginning January 1, 2016, for fuel produced by the taxpayer in the United States. However, an *eligible discretionary blender* may claim the \$1 per gallon mixture credit if given appropriate documentation by a biodiesel producer indicating they are forgoing the production credit. Biodiesel is further converted to a taxable fuel in 2016 with the excise tax paid by the taxpayer eligible to elect the credit. In the case of any eligible small biodiesel producer, as presently defined in IRC 40A, the \$1.00 per gallon credit would be worth an additional 10 cents per gallon consistent with IRC 40A(b)(4)(A). For the purposes of this proposal, a qualified discretionary blender is a diesel fuel blender registered with the IRS that blended 10 million or more gallons of biodiesel or renewable diesel in the previous calendar year.

Offset: Not necessary, expected to reduce the cost of the credit.

Crapo-Stabenow Amendment #1

Short Title: To make permanent the deduction on private mortgage insurance

Description of Amendment: The amendment reflects the provisions of S. 1644, the Crapo/Stabenow bill to permanently extend the deduction for private mortgage insurance

Offset to be provided

Crapo Amendment #2

Short title: To make permanent the railroad track maintenance credit.

Description of Amendment: The amendment would permanently extend the railroad track maintenance credit.

Offset: Offset to be provided.

Crapo Amendment #4

Short Title:

Making accelerated depreciation for business property on an Indian reservations optional

Description of Amendment:

The amendment would allow an election out of accelerated depreciation rules by a taxpayer for business property placed in service on Indian reservations under IRC sec. 168(j), similar to the elections out allowed for bonus depreciation and several other accelerated depreciation measures in IRC sec. 168.

Offset:

Offset to be provided.

Crapo-Stabenow Amendment #3

Short Title:

Veterinary Medicine Loan Repayment Program Enhancement

Description of Amendment:

The amendment would eliminate the 39 percent withholding tax on awards made through the U.S. Department of Agriculture's Veterinary Medicine Loan Repayment Program. The program provides student loan repayment for veterinarians serving in designated shortage areas. By eliminating the tax, more of the program's funds will be available to issue awards for food animal veterinarians to serve in areas where they are needed most (i.e. regions of the country where livestock vastly outnumber available veterinary services).

Offset:

Offset to be provided.

Crapo Amendment #4

Short Title:

Making accelerated depreciation for business property on an Indian reservations optional

Description of Amendment:

The amendment would allow an election out of accelerated depreciation rules by a taxpayer for business property placed in service on Indian reservations under IRC sec. 168(j), similar to the elections out allowed for bonus depreciation and several other accelerated depreciation measures in IRC sec. 168.

Offset:

Offset to be provided.

Roberts Amendment #1 to an Original Bill to Extend Certain Expired Tax Provisions

Cosponsors: Portman, Toomey, Isakson

Short Title: Permanent Bonus Depreciation

Description of Amendment: To modify and make permanent bonus depreciation.

Permanently Extends 50 percent Bonus Depreciation. Businesses will be able to deduct 50 percent of qualified purchased property immediately. Bonus depreciation was first enacted in 2002, and since then has been increased, extended and allowed to expire multiple times. By making this provision permanent, businesses will have the certainty needed to increase domestic investment, raise wages, and hire more people.

Lifts Restrictions to Allow For More Corporate Alternative Minimum Tax Credits To Be Used for Capital Reinvestment. The recent economic situation caused many companies to operate at a loss, hampering their ability to take advantage of bonus depreciation. From April 1, 2008 through 2014 businesses had the option to forego bonus depreciation and instead claim some of their unused Corporate Alternative Minimum Tax credits. The amendment would allow for more of these credits – which are essentially overpaid taxes – to be used for capital investment.

Expands Definition of Qualifying Property to Include Retail and Restaurant Improvements. Retailers often renovate the interiors of their stores on a frequent basis. While bonus depreciation has traditionally applied to retailers and restaurants that lease their stores, owner-occupied retail stores and restaurants have been ineligible for bonus depreciation. By allowing bonus depreciation on all retail and restaurant improvements, the amendment corrects this inequity.

Offset: To Be Determined.

[NOTE – Amendment sponsors reserve the right to modify the amendment for technical, revenue-neutrality, or other purposes.]

Roberts Amendment #2 to an Original Bill to Extend Certain Expired Tax Provisions

Cosponsors:, Portman

Short Title: Stop Targeting of Political Beliefs by the IRS Act of 2015

Description of Amendment: The amendment would prevent further IRS targeting of conservative 501(c)(4)s by reverting back to the IRS standards and definitions that were in place on January 1, 2010 and suspend for one year any IRS rulemaking related to 501(c)(4)s, including the new candidate-related political activity definition

Offset: No offset required.

[NOTE – Amendment sponsors reserve the right to modify the amendment for technical, revenue-neutrality, or other purposes.]

Roberts Amendment #3 to an Original Bill to Extend Certain Expired Tax Provisions

Cosponsors:

Short Title: Restoring Access to Medication Act

Description of the Amendment: This amendment would repeal Sec. 9003 of the Patient Protection and Affordable Care Act to restore the ability of plan participants to use the funds in their FSA, HRA, HAS, or Archer MSA to purchase over-the-counter medications.

Offset: To be determined

[NOTE – Amendment sponsors reserve the right to modify the amendment for technical, revenue neutrality, or other purposes.]

Roberts Amendment #4 to an Original Bill to Extend Certain Expired Tax Provisions

Cosponsors:

Short Title: Health Insurance Tax Repeal

Description of Amendment: This amendment would repeal Sec. 9010(b) of the Patient Protection and Affordable Care Act of 2010.

Offset: To be determined

[NOTE – Amendment sponsors reserve the right to modify the amendment for technical, revenue neutrality, or other purposes.]

Enzi Amendment #1 to an Original Bill to Extend Certain Expired Tax Provisions

Short Title: Tax Return Due Date Simplification and Modernization

Description of Amendment: This amendment would provide for the logical flow of return information between partnerships, corporations, trusts, estates, and individuals to better enable each party to submit timely, accurate returns and reduce the need for extended and amended returns, to provide for modified due dates by regulation, and to conform the automatic corporate extension period to longstanding regulatory rule. The amendment does NOT change tax policy; rather, it provides for better tax compliance and tax administration. The text of the amendment is similar, but not the same as S. 420 (Tax Return Due Date Simplification and Modernization Act of 2013), introduced February 28, 2013.

Offset: N/A

Enzi Amendment #2 to an Original Bill to Extend Certain Expired Tax Provisions

Short Title: To restore States' sovereign rights to enforce State and local sales and use tax laws.

Description of Amendment: This amendment would allow States, if they chose to do so, to have out-of-state retailers collect the sales tax that is due on all sales – online sales, catalog sales and in-store sales. It would provide two options by which states could begin collecting sales taxes from online and catalog purchases. It also exempts businesses with less than \$1 million in online or out-of-state remote sales from collection requirements. The amendment text is the same as S. 743, the Marketplace Fairness Act.

Offset: CBO estimates that S. 743 would have no impact on the federal budget. The bill would not affect direct spending or revenues.

Enzi Amendment #3 to an Original Bill to Extend Certain Expired Tax Provisions

Short Title: To extend the Indian Coal Tax Credit and its placed-in-service date, and allow the credit to offset the Alternative Minimum Tax

Description of Amendment: This amendment would extend the Indian Coal Tax Credit and its placed-in-service date to January 1, 2017. The amendment would also allow the credit to be taken against the AMT. This amendment would also include any new lease or sublease of a qualified facility place in service by January 1, 2009.

Offset: To be provided.

Cornyn Amendment #1 to an Original Bill to Extend Certain Expired Tax Provisions

Cosponsor: Cantwell

Short title: The amendment excludes grants awarded under the Clean Coal Power Initiative from the gross income of non-corporate recipients and requires them to pay an upfront interest charge based on the value of the award (S. 919).

Description of Amendment:

SECTION __. EXCLUSION FROM GROSS INCOME OF CERTAIN CLEAN COAL POWER GRANTS TO NON-CORPORATE TAXPAYERS.

- (a) General Rule- In the case of an eligible taxpayer other than a corporation, gross income for purposes of the Internal Revenue Code of 1986 shall not include any amount which--
- (1) is received under section 402 of the Energy Policy Act of 2005, and
 - (2) if received by a corporation, would be excluded from gross income under section 118 of the Internal Revenue Code of 1986.
- (b) Reduction in Basis- The basis of any property subject to the allowance for depreciation or amortization under the Internal Revenue Code of 1986 which is acquired with any amount to which subsection (a) applies during the 12-month period beginning on the day such amount is received shall be reduced by an amount equal to such amount. The excess (if any) of such amount over the amount of the reduction under the preceding sentence shall be applied to the reduction (as of the last day of the period specified in the preceding sentence) of the basis of any other property held by the taxpayer. The particular properties to which the reductions required by this subsection are allocated shall be determined by the Secretary of the Treasury (or the Secretary's delegate) under regulations similar to the regulations under section 362(c)(2) of such Code.
- (c) Eligible Taxpayer- For purposes of this section, with respect to any amount received under section 402 of the Energy Policy Act of 2005, the term `eligible taxpayer' means a taxpayer that makes a payment to the Secretary of the Treasury (or the Secretary's delegate) equal to 1.18 percent of the amount so received. Such payment shall be made at such time and in such manner as such Secretary (or the Secretary's delegate) shall prescribe. In the case of a partnership, such Secretary (or the Secretary's delegate) shall prescribe regulations to determine the allocation of such payment amount among the partners.
- (d) Effective Date- This section shall apply to amounts received under section 402 of the Energy Policy Act of 2005 in taxable years beginning after December 31, 2011.

Score: +\$6 million over ten years (February 2015 score).

Thune Amendment #1 to the Chairman's Mark of a Bill to Extend Certain Expired Tax Provisions

Cosponsors: Roberts, Portman

Short Title: To make permanent certain expired tax relief provisions adopted this year by the House of Representatives.

Description of Amendment: The House of Representatives has passed this year, with significant bipartisan support, a number of bills to make permanent tax relief provisions that expired at the end of 2014. The amendment would add these House-passed measures to the chairman's mark.

Specifically, the amendment would make permanent the following provisions: Section 179 Small Business Expensing; Research and Experimentation Tax Credit; Deduction for State and Local Sales Taxes; Reduced Recognition Period for Built-in Gains of S-Corporations; Basis Adjustment for S-Corporation charitable contributions; IRA Charitable Rollover; Special Rules for Conservation Easements; and Enhanced Charitable Deduction for food inventory.

The amendment, if enacted into law, would provide taxpayers with roughly \$315 billion in tax relief over the next ten years relative to current law.

Thune Amendment #2 to the Chairman's Mark of a Bill to Extend Certain Expired Tax Provisions

Cosponsor: Stabenow, Schumer, Wyden

Short Title: America Gives More Act

Description of Amendment: Last Congress the House of Representatives passed the *America Gives More Act*, legislation to encourage charitable giving. The bill has passed the House again this year.

The amendment would add the *America Gives More Act* to the chairman's mark. Specifically, the amendment would encourage charitable giving by making permanent: the enhanced charitable deduction for food inventory; the IRA charitable rollover provision; the special rules for qualified conservation contributions; and a simplified tax rate for excise tax on investment income of private foundations.

Thune Amendment #3 to the Chairman's Mark of a Bill to Extend Certain Expired Tax Provisions

Cosponsor: Stabenow

Short Title: Charitable Agricultural Research Act

Description of Amendment: The amendment reflects S. 1429, the *Charitable Agricultural Research Act*, legislation to allow for the creation of Agricultural Research Organizations (AROs) in order to facilitate additional privately-sponsored agricultural research.

The bill enables the creation of Agriculture Research Organizations (AROs) by providing them the same tax treatment currently provided Medical Research Organizations (MROs). AROs would be treated as 501(c)(3) organizations subject to the same deductibility rules as well as the same rules regarding the active conduct of research applicable to MROs. For example, the principal purpose of a MRO must be medical research, it must be directly engaged in the continuous active conduct of medical research in conjunction with a hospital, and the MRO must be committed to spend contributions for research before January 1 of the fifth calendar year beginning after the date the contribution is made. The same rules will apply to AROs, except that their research must be in conjunction with a university.

Enactment of the legislation would result in a loss of revenue of \$32 million over 10 years.

Thune Amendment #4 to the Chairman's Mark of a Bill to Extend Certain Expired Tax Provisions

Cosponsor: Wyden

Short Title: To make permanent the existing moratorium on state and local taxes on internet access scheduled to expire on October 1, 2015.

Description of Amendment: The amendment would make permanent the tax moratorium on internet access set to expire on October 1st of this year. The amendment would also make permanent the existing moratorium on multiple or discriminatory taxes on electronic commerce. The amendment reflects S. 431, the *Internet Tax Freedom Forever Act*, introduced by Senators Thune and Wyden and currently co-sponsored by 49 senators.

This amendment is not expected to have an impact on federal revenue.

Thune Amendment #5 to the Chairman's Mark of a Bill to Extend Certain Expired Tax Provisions

Cosponsor: Wyden

Short Title: To extend for 5 years the existing moratorium on state and local taxes on Internet access scheduled to expire on October 1, 2015.

Description of Amendment: The amendment would extend for 5 years the existing moratorium on internet access taxes set to expire on October 1st of this year. The amendment would also extend for 5 years the existing moratorium on multiple or discriminatory taxes on electronic commerce. Under the amendment, the ITFA moratorium would expire on October 1, 2020.

This amendment is not expected to have an impact on federal revenue.

Thune Amendment #6 to the Chairman's Mark of a Bill to Extend Certain Expired Tax Provisions

Cosponsor: Wyden

Short Title: To promote neutrality, simplicity, and fairness in the taxation of digital goods and digital services.

Description of Amendment: The amendment would clarify sourcing rules and other rules regarding state and local taxation of digital goods and services, such as music and movie downloads. The amendment reflects S. 851, the *Digital Goods and Services Tax Fairness Act* introduced by Senators Thune, Wyden and Heller.

Specifically, the amendment prohibits a state or local jurisdiction from imposing multiple or discriminatory taxes on the sale or use of a digital good or service delivered or transferred electronically to a customer. Among other provisions, the amendment sources taxation of a digital good or service to a state or local jurisdiction whose territorial limits encompass a customer's tax address.

The amendment is not expected to have an impact on federal revenue.

Burr Amendment #1 to the Chairman's Mark of a bill to extend certain expiring provisions

Cosponsors: Bennet, Cardin, Thune

Short Title: To make modifications to the Alternative Fuels Tax Credit and Excise Tax for Liquefied Natural Gas (LNG) and Liquefied Propane Gas (LPG)

Description of Amendment: This amendment modifies the alternative fuel tax credit for LNG to be calculated on a per gallon energy equivalent basis with a gallon of diesel. It also modifies the current excise tax on LNG to be calculated on a per diesel gallon equivalent basis. In addition, this amendment modifies the alternative fuel tax credit for LPG to be calculated on a per gallon energy equivalent basis with a gallon of gasoline and would lower the excise tax on LPG so that the propane and gasoline tax rates are equal on an energy content basis rather than a volume basis. This amendment is based on legislation introduced by Senators Bennet and Burr.

Offset: Waiting on score

Burr Amendment #2 to the Chairman's Mark of a bill to extend certain expiring provisions

Cosponsors: Casey

Short Title: Technical Change to the ABLE Act

Description of Amendment: The Burr Amendment would amend the recently enacted Stephen Beck Jr. Achieving a Better Life Experience (ABLE) Act, which created the 529(A) ABLE accounts. 529(A) accounts are tax-preferred savings accounts akin to 529 college savings plans but for individuals who became severely disabled prior to the age of 26.

The amendment would eliminate the state residency requirement on ABLE account beneficiaries. This would give 529(A) accounts parity with traditional 529 accounts, which allow a beneficiary to have an account in any state rather than be limited to the state in which the beneficiary resides.

Offset: TBD

Burr Amendment #3 to the Chairman's Mark of a bill to extend certain expiring provisions

Short Title: Extends Eligibility for the Educator Expense Deduction to Parents who Homeschool Children

Description of Amendment: The Burr Amendment would extend the Educator Expense Deduction to individuals who homeschool their children. In order to be eligible, the individual must meet the requirements under state law as a homeschool and must otherwise meet the criteria to qualify for the current law deduction, including working at least 900 hours per school year in a homeschool. Qualified classroom expenses would be the same as under the current law deduction.

This amendment would bring parity to the current law provision that allows public and private school educators to deduct up to \$250 of unreimbursed expenses for the classroom.

Offset: TBD

Burr Amendment #4 to the Chairman's Mark of a bill to extend certain expiring provisions

Short Title: Amendment of a perfecting nature

Description of Amendment: TBD

Burr Amendment #5 to the Chairman's Mark of a bill to extend certain expiring provisions

Short Title: Amendment of a perfecting nature

Description of Amendment: TBD

AMENDMENT

ISAKSON Amendment #1 to an Original Bill to Extend Certain Expired Tax Provisions

Short Title: To modify the bonus depreciation provision to allow the expenses of blueberries to qualify for bonus depreciation.

Description of Amendment: Bonus depreciation provision be amended by adding special rules for certain plants bearing fruits and nuts as found in S. 1660.

Offset: to be provided

Note: Please collate and staple all amendments into one set. This will expedite processing and distribution of the Amendments.

AMENDMENT

ISAKSON Amendment #2 to an Original Bill to Extend Certain Expired Tax Provisions

Short Title: To strike the American Samoa economic development credit _____

Description of Amendment: _____

Offset:

Note: Please collate and staple all amendments into one set. This will expedite processing and distribution of the Amendments.

Portman-Cardin Amendment #1 to an Original Bill to Extend Certain Expired Tax Provisions

Cosponsors: Brown, Menendez

Short Title: Expansion of the WOTC to apply to hiring of the long-term unemployed

Description of amendment: This amendment would allow the Work Opportunity Tax Credit to be claimed for the hiring of individuals who are long-term unemployed, defined as individuals who have exhausted their unemployment insurance benefits.

The amendment aims to counter the stigma that can often attach to those individuals who have been out of work for a long time by giving employers an incentive to hire these individuals. In general, a long-term unemployed individual would be an individual that has exhausted his or her UI benefits. Encouraging the employment of these individuals would prevent them from taking further government assistance.

Studies on the recently-expired Work Opportunity Tax Credit have shown that for every WOTC hire, the federal government saves for every WOTC hire the federal government saves approximately \$17,000 (net of WOTC expenditures) by encouraging the hiring of hard-to-employ individuals.

This amendment was incorporated into the modified Chairman's mark during Committee consideration of the EXPIRE Act in 2014.

Offset: To be provided.

[NOTE – Amendment sponsors reserve the right to modify the amendment for technical, revenue-neutrality, or other purposes.]

Portman-Cardin Amendment #2 to an Original Bill to Extend Certain Expired Tax Provisions

Cosponsors: Brown, Menendez

Short Title: Work Opportunity Tax Credit Permanence

Description of Amendment: This amendment would permanently extend the Work Opportunity Tax Credit.

Offset: To be provided.

[NOTE – Amendment sponsors reserve the right to modify the amendment for technical, revenue-neutrality, or other purposes.]

Portman Amendment #3 to an Original Bill to Extend Certain Expired Tax Provisions

Cosponsors: Roberts, Isakson

Short Title: CFC Look-through and Active Financing Exception Permanence

Description of Amendment: This amendment would permanently extend the CFC look-through rule and the Active Financing Exception.

Offset: To be provided.

[NOTE – Amendment sponsors reserve the right to modify the amendment for technical, revenue-neutrality, or other purposes.]

Portman Amendment #4 to an Original Bill to Extend Certain Expired Tax Provisions

Short Title: To responsibly phase-out the Section 45 Production Tax Credit (PTC) and the Section 48 Investment Tax Credit (ITC)

Description of Amendment: The Section 45 Production Tax Credit as it applies to wind would be reduced by 30 percent in 2017, 40 percent in 2018, and eliminated in 2019.

Under current law, the Section 48 Investment Tax Credit will revert to 10 percent from 30 percent at the end of 2016. The 10 percent credit under the Section 48 Investment Tax Credit would be eliminated completely in 2019. The amendment would allow solar energy technologies qualifying for the credit to claim the incentive provided they have “commenced construction” on the project before the credit’s elimination.

Offset: To be provided.

[NOTE – Amendment sponsors reserve the right to modify the amendment for technical, revenue-neutrality, or other purposes.]

Toomey Amendment #1 to the Chairman's Mark of A Bill to Extend Certain Expired Tax Provisions

Cosponsored by Sen. Menendez

Short Title: Index Sec. 179 small business expensing to inflation

Description of Amendment:

This amendment indexes Sec. 179's expensing limit of \$500,000 and the phaseout threshold of \$2 million to inflation in each of 2015 and 2016. The same inflation metric used to index other parts of the tax code shall be used.

Offset:

To be provided

Toomey Amendment #2 to the Chairman's Mark of A Bill to Extend Certain Expired Tax Provisions

Cosponsored by Sens. Portman, Thune, Roberts, Isakson

Short Title: Permanently Extend Sec. 179 Small Business Expensing

Description of Amendment:

This amendment permanently extends Sec. 179 as it existed in 2014 and indexes the expensing limit and phase-out thresholds to inflation going forward

Offset:

n/a

Toomey Amendment #3 to the Chairman's Mark of A Bill to Extend Certain Expired Tax Provisions

Cosponsored by Sen. Carper

Short Title: Reform the employer wage credit for activated military reservists

Description of Amendment:

This amendment reforms the Sec. 45P credit for employers who continue to pay their employees who are serving on active duty for the United States military. Currently, only companies with fewer than 51 employees can qualify for a credit equal to 20% of the first \$20,000 in wages they pay to deployed reservists and National Guard members.

This amendment reforms this credit by allowing all companies, regardless of size, to qualify for the credit. The credit amount will be increased from 20% to 100%. This change would be effective for all of 2015 and all of 2016.

Offset:

To be provided

Toomey Amendment #4 to the Chairman's Mark of A Bill to Extend Certain Expired Tax Provisions

Cosponsored by Sen. Coats

Short Title: Repeal the Crony Capitalist Production Tax Credit

Description of Amendment:

This amendment strikes the Production Tax Credit from this bill

Toomey Amendment #5 to the Chairman's Mark of A Bill to Extend Certain Expired Tax Provisions

Short Title: Protect bald eagles from wind turbines

Description of Amendment:

This amendment would prohibit any company that has benefited from or chooses to benefit from the Production Tax Credit (or the investment tax credit in lieu of the PTC) from receiving a waiver from any federal law that protects the life, well-being, or habitat of bald eagles or endangered species of any kind. Any company that has already received such a waiver must either renounce the benefits of that waiver or refund any money received from the PTC (or the investment credit in lieu of the PTC) to the federal government within 12 months.

Toomey Amendment #6 to the Chairman's Mark of A Bill to Extend Certain Expired Tax Provisions

Short Title: Increase veterans WOTC and eliminate crony capitalist handouts

Description of Amendment:

This amendment would increase the maximum WOTC credit by \$1,000 for all categories of qualified veterans (or by a lesser amount if the offset is lower than the cost of this expansion). This amendment also strikes the credit for electric motorcycles and the credit for qualified fuel cell motor vehicles

Offset:

Strike the credit for electric motorcycles and the credit for qualified fuel cell motor vehicles

Toomey Amendment #7 to the Chairman's Mark of A Bill to Extend Certain Expired Tax Provisions

Short Title: Increase veterans WOTC and eliminate crony capitalist handouts

Description of Amendment:

This amendment would increase the maximum WOTC credit by \$1,000 for all categories of qualified veterans (or by a lesser amount if the offset is lower than the cost of this expansion).

Offset:

Strike a previously offered amendment that expanded tax benefits for solar energy.

Toomey Amendment #8 to the Chairman's Mark of A Bill to Extend Certain Expired Tax Provisions

Short Title: No Green Energy Credits for the 1%

Description of Amendment:

This amendment would prohibit any individual with adjusted gross income above \$400,000 (either in the current tax year or the prior tax year) to claim energy tax credits extended in this legislation.

Offset:

n/a

Toomey Amendment #9 to the Chairman's Mark of A Bill to Extend Certain Expired Tax Provisions

Cosponsored by Sens. Coats, Cornyn, Thune, Portman, Grassley, Heller, Roberts, Isakson, Scott

Short Title: Repeal the job killing medical device tax

Description of Amendment:

This amendment permanently repeals the job killing medical device tax created by Obamacare

Coats Amendment #1 to an Original Bill to Extend Certain Expired Tax Provisions

Short Title: Expansion of the Research Credit to Encourage Medical Device Innovation.

Description of Amendment:

The amendment would provide an additional credit amount within the research credit equal to the amount of medical device excise tax paid within the taxable year. The additional credit amount would be refundable.

An offset will be provided.

Coats Amendment #2 to an Original Bill to Extend Certain Expired Tax Provisions

Short Title: Beginning a Phase Down of the Wind Production Tax Credit.

Description of Amendment:

The amendment would begin to phase down the wind production tax credit by providing a tax credit amount equal to 80% of the value provided in section 45 for facilities that begin construction in 2016. The full credit would be available for facilities that begin construction in 2015.

Coats Amendment #3 to an Original Bill to Extend Certain Expired Tax Provisions

Short Title: Permanent Extension of the Active Financing Exception from Subpart F.

Description of Amendment:

The amendment would make permanent the active financing exception from Subpart F.

Coats Amendment #4 to an Original Bill to Extend Certain Expired Tax Provisions

Short Title: Permanent Extension of the Reduction in the S corporation Recognition Period for Built-in Gains Tax.

Description of Amendment:

The amendment would make permanent the reduction in the S corporation recognition period in which the built-in gains tax applies from 10 years to five years.

Coats Amendment #5 to an Original Bill to Extend Certain Expired Tax Provisions

Short Title: Permanent Extension of the Basis Adjustment to the Stock of S Corporations Making Charitable Contributions of Property.

Description of Amendment:

The amendment would make permanent the basis adjustment to the stock of S corporations that make charitable contributions of property.

Coats Amendment #6 to an Original Bill to Extend Certain Expired Tax Provisions

Short Title: Expressing the Sense of the Finance Committee Regarding the Medical Device Excise Tax.

Description of Amendment:

The amendment provides that it is the sense of the Finance Committee that the medical device excise tax is harmful to the type of innovation that the research credit is intended to encourage and that the tax should be repealed expeditiously in order to preserve patients' access to cutting-edge treatments and preserve America's leadership in medical technology.

Coats Amendment #7 to an Original Bill to Extend Certain Expired Tax Provisions

Short Title: Sense of the Committee to Express Support for Comprehensive Tax Reform.

Description of Amendment:

The amendment expresses the sense of the Committee that Congress should pursue comprehensive tax reform that eliminates temporary provisions from the tax code, thus making permanent those provisions that merit such treatment and allowing others to expire, and that a major focus of tax reform should be fostering economic growth and lowering tax rates by broadening the tax base.

HELLER-CANTWELL-THUNE AMENDMENT #1

Heller-Cantwell-Thune Amendment #1 to the Chairman's Mark to Extend Certain Expired Tax Provisions.

Cosponsors: Cornyn

Short Title: To make permanent the State and Local Sales Tax Deduction.

Description of Amendment: To make permanent the taxpayer election to deduct state and local general sales taxes in lieu of state and local income taxes. Under current law, taxpayers in states which are funded by sales taxes rather than income taxes are provided only temporary relief. This essential deduction, which has been extended every year since 2004, is significant to not only stimulating the economy but also is a matter of fairness.

In 2012, 10.5 million, or 7.2% of taxpayers, claimed a deduction for sales taxes paid. The ability of taxpayers to deduct their state and local sales taxes help level the playing field.

Offset: TBD

[NOTE – Amendment sponsor reserves the right to modify the amendment for technical, revenue-neutrality, or other purposes.]

HELLER-STABENOW AMENDMENT #2

Heller-Stabenow Amendment #2 to the Chairman's Mark to Extend Certain Expired Tax Provisions.

Cosponsors: Isakson, Menendez

Short Title: To make permanent the exclusion from gross income of income attributable to the discharge of indebtedness on a principal residence.

Description of Amendment: Amends the Internal Revenue Code, based on S.351 (Heller/Stabenow), to make permanent the exclusion from gross income of income attributable to the discharge of indebtedness on a principal residence.

Nearly 7 million homeowners are underwater on their homes with mortgage debt of at least 25 percent higher than the value of their property. More than one in six American homeowners are currently underwater on their mortgages – a rate of 16.9 percent.

Offset: TBD

[NOTE – Amendment sponsor reserves the right to modify the amendment for technical, revenue-neutrality, or other purposes.]

HELLER-STABENOW AMENDMENT #3

Heller-Stabenow Amendment #3 to the Chairman's Mark to Extend Certain Expired Tax Provisions.

Cosponsors: Schumer, Isakson, Bennet, Roberts, Portman

Short Title: To make permanent charitable contributions of conservation easements.

Description of Amendment: Amends the Internal Revenue Code, based on S. 330 (Heller/Stabenow), to: 1) make permanent the enhanced tax deduction for charitable contributions by individuals and corporations of real property interests for conservation purposes, and 2) allow Native Corporations an increased tax deduction for donations of conservation easements related to lands conveyed under the Alaska Native Claims Settlement Act. This amendment encourages voluntary conservation of farm and rangelands, while providing farmers, ranchers and forest owners the certainty to let families make long-term plans on their own schedule.

Offset: TBD

[NOTE – Amendment sponsor reserves the right to modify the amendment for technical, revenue-neutrality, or other purposes.]

HELLER-CANTWELL-PORTMAN-BENNET AMENDMENT #4

Heller-Cantwell-Portman-Bennet Amendment #4 to the Chairman's Mark to Extend Certain Expired Tax Provisions.

Short Title: To provide parity for investment tax credit (ITC) technologies through a Commence Construction date.

Description of Amendment: Would amend the Internal Revenue Code to allow facilities to qualify for the Section 48 ITC if they have commenced construction by December 31, 2016.

Offset: To be provided.

[NOTE – Amendment sponsor reserves the right to modify the amendment for technical, revenue-neutrality, or other purposes.]

Scott Amendment #1 to the Chairman's Mark of a Bill to Extender Certain Expired Tax Provisions

Short Title: Clarification of Use of Nuclear Production Tax Credit

Description of Amendment: Section 45J incentivizes the construction of advanced nuclear production facilities by providing a production tax credit (PTC) to a taxpayer that places a facility in service before January 1, 2021. These construction projects have been undertaken using a public-private partnership (P3) model. The amendment clarifies that the public partner in the P3 may transfer its allocation of PTCs to the partners that can monetize the credit, which will reduce net construction costs for clean, reliable energy (consistent with the policy goal of the PTC) and, ultimately, the cost of energy provided to the ratepayer.

Wyden Amendment #1 to a bill to extend certain expiring tax provisions

Short Title: Incentives for Domestic Solar

Description of Amendment:

Under the Chairman's Mark, renewable energy technologies under section 45 are able to qualify for a 30 percent investment tax credit if they've commenced construction before December 31, 2016. Solar facilities, however, must be fully built and placed in service before December 31, 2016 in order to qualify for the 30 percent solar investment tax credit, placing solar at a disadvantage.

This amendment would allow solar facilities to qualify for the 30 percent investment tax credit if the facility has commenced construction by December 31, 2016.

The amendment also protects American solar manufacturers by ensuring that only photovoltaic panels manufactured that have complied with all applicable U.S. customs laws and regulations would qualify.

Offset: To be provided.

Wyden Amendment #2 to a bill to extend certain expiring tax provisions

Cosponsors: Crapo, Schumer, Roberts, Stabenow, Isakson, Cantwell, Cardin, Brown, and Casey

Short Title: The Short Line Railroad Rehabilitation and Investment Act of 2015

Description of Amendment: This amendment would replace the extension of the railroad track maintenance credit in the Chairman's Mark with the text of Short Line Railroad Rehabilitation and Investment Act of 2015 (S.637 [114th]).

Similar to the Chairman's Mark, S.637 would extend the railroad track maintenance credit for two years, through the end of 2016. S.637 provides an additional modification which would update the own/lease date for qualified track from January 1, 2005 to January 1, 2015. Under this modification, track owned or leased by a Class II or Class III railroad as of January 1, 2005 or January 1, 2015 would be eligible for the credit.

S.637 is sponsored by Senators Wyden and Crapo. Cosponsors of S.637 include Senators Alexander, Ayotte, Blumenthal, Blunt, Boozman, Cantwell, Capito, Casey, Collins, Coons, Daines, Donnelly, Franken, Gardner, Gillibrand, Heller, Inhofe, Isakson, King, Klobuchar, Manchin, Markey, Merkley, Mikulski, Moran, Murkowski, Peters, Risch, Roberts, Rounds, Schumer, Shaheen, Stabenow, Tester, Thune, Udall, and Wicker.

Offset: Offset to be provided.

Schumer Amendment #1 to an Original Bill to Extend Certain Expired Tax Provisions

Cosponsors: Cardin, Stabenow

Short Title: Modification to Section 181

Description of Amendment:

This amendment would allow Section 181 expensing for costs associated with live theatrical production. The amendment is based on the STAGE Act (S. 364).

Offset to be provided.

[NOTE – Amendment sponsors reserve the right to modify the amendment for technical, revenue-neutrality, or other purposes.]

Schumer-Roberts Amendment #2 to an Original Bill to Extend Certain Expired Tax Provisions

Cosponsors: Warner, Cantwell, Casey

Short Title: Startup Innovation Credit—Modification of IRC Section 41

Description of Amendment:

This amendment would expand the R&E tax credit to qualifying startup businesses, allowing such company to claim the credit against taxes it pays on employee wages. The benefit is capped at \$250,000 per year and available only to companies less than five years old with less than \$5 million in gross receipts. It would also allow an offset of research tax credit amounts against alternative minimum tax liability. The amendment is based on the Innovators Job Creation Act of 2015 (S. 455).

Offset to be provided.

[NOTE – Amendment sponsors reserve the right to modify the amendment for technical, revenue-neutrality, or other purposes.]

Schumer Amendment #3 to an Original Bill to Extend Certain Expired Tax Provisions

Cosponsor: Warner, Cardin, Casey

Short Title: Modification of Transportation Fringe Benefit—Bike Share

Description of Amendment:

This amendment would modify the qualified transportation benefit in Section 132(f) of the Internal Revenue Code to add expenses associated with the use of a bike sharing program to the list of qualifying expenses for 2014 and 2015.

Offset to be provided.

[NOTE – Amendment sponsors reserve the right to modify the amendment for technical, revenue-neutrality, or other purposes.]

Schumer-Thune Amendment #4 to an Original Bill to Extend Certain Expired Tax Provisions

Cosponsors: Portman, Stabenow, Brown

Short Title: Modification of IRA Rollover

Description of Amendment:

This amendment would amend the IRA Charitable Rollover to provide that all donor-advised funds (DAF) are eligible recipients of the rollover. It would also impose the following new disclosure requirements:

- Sponsors of donor-advised funds would be required to disclose on the Form 990 whether they have an official policy on “inactive” or “dormant” funds, and if so, describe the policy or include a copy of it with the return; and
- Sponsors of donor-advised funds would be required to calculate and disclose the average percentage granted or distributed from all donor-advised funds collectively during the current taxable year, as well as the average payout over the most recent three-year period.

Additionally, this amendment requires that the Treasury Department conduct a study on “inactive” or “dormant” donor-advised funds and submit such report to Congress no later than December 31, 2016.

Offset to be provided.

[NOTE – Amendment sponsors reserve the right to modify the amendment for technical, revenue-neutrality, or other purposes.]

Schumer Amendment #5 to an Original Bill to Extend Certain Expired Tax Provisions

Cosponsors: Cardin, Cantwell, Stabenow, Brown, Menendez

Short Title: AOTC Permanence

Description of Amendment:

This amendment would make the American Opportunity Tax Credit permanent, increase the maximum value of the credit to \$3,000, expand the AOTC phase-out window to \$80,000-\$100,000 modified AGI for individuals and \$160,000-\$200,000 for joint returns, and make Pell Grants fully excludable from gross income. The amendment is based on the American Opportunity Tax Credit Permanence and Consolidation Act of 2015 (S. 699).

Offset to be provided.

[NOTE – Amendment sponsors reserve the right to modify the amendment for technical, revenue-neutrality, or other purposes.]

Schumer Amendment #6 to an Original Bill to Extend Certain Expired Tax Provisions

Cosponsors: Carper, Cardin, Casey, Menendez

Short Title: Permanent Transportation Benefit Parity

Description of Amendment:

This amendment would permanently modify the Section 132(f) income exclusion for employer-provided mass transit and parking benefits. The proposal would increase the value for vanpool and transit pass benefits to \$250 for 2015 and maintain parity between the value of vanpool, transit and parking benefits (indexed annually for inflation) on a permanent basis going forward.

Offset to be provided.

[NOTE – Amendment sponsors reserve the right to modify the amendment for technical, revenue-neutrality, or other purposes.]

Schumer-Portman Amendment #7 to an Original Bill to Extend Certain Expired Tax Provisions

Cosponsors: Cardin, Cantwell, Stabenow, Brown, Casey, Menendez

Short Title: New Markets Tax Credit Permanence

Description of Amendment:

This amendment would permanently extend the New Markets Tax Credit.

Offset to be provided.

[NOTE – Amendment sponsors reserve the right to modify the amendment for technical, revenue-neutrality, or other purposes.]

Schumer Amendment #8 to an Original Bill to Extend Certain Expired Tax Provisions

Cosponsors: Stabenow, Brown

Short Title: IRA Rollover Permanence

Description of Amendment:

This amendment would make permanent the tax exclusion of distributions from individual retirement accounts (IRAs) for charitable purposes. The amendment is based on the Public Good IRA Rollover Act of 2015 (S. 1159).

Offset to be provided.

[NOTE – Amendment sponsors reserve the right to modify the amendment for technical, revenue-neutrality, or other purposes.]

Schumer Amendment #9 to an Original Bill to Extend Certain Expired Tax Provisions

Cosponsors: Casey, Wyden

Short Title: Volunteer Responder Incentive Protection Act

Description of Amendment:

This amendment would reinstate the expired tax exclusion for benefits paid to volunteer firefighters and emergency medical providers by states and local governments for taxable years beginning in 2015 and 2016. The amendment is based on the Volunteer Responder Incentive Protection Act of 2015 (S. 609).

Offset to be provided.

[NOTE – Amendment sponsors reserve the right to modify the amendment for technical, revenue-neutrality, or other purposes.]

Schumer Amendment #10 to an Original Bill to Extend Certain Expired Tax Provisions

Cosponsors: Cantwell, Bennet, Casey, Menendez

Short Title: Disaster Tax Relief

Description of Amendment:

This amendment would provide tax relief for individuals and businesses impacted by federally declared disasters in 2012, 2013, 2014 and 2015. It would reinstate and extend several disaster-specific provisions enacted in previous years, including, but not limited to: deduction for disaster cleanup expenses, increased limits for charitable giving, expanded casualty loss deduction, relaxed retirement plan distribution rules, increased low-income housing tax credit availability, increased rehabilitation tax credit availability, additional New Markets Tax Credit allocation and disaster-specific bond authority.

Offset to be provided.

[NOTE – Amendment sponsors reserve the right to modify the amendment for technical, revenue-neutrality, or other purposes.]

Stabenow Amendment #1 to the Chairman's Mark of an Original Bill to Extend Certain Expired Tax Provisions

Cosponsors: Brown

Short Title: Empowering Jobs Act of 2015

Description of Amendment:

This amendment would modify the requirements for tax-exempt Enterprise Zone Facility Bonds to treat an employee as a resident of an Empowerment Zone for purposes of the 35% in-zone employment requirement if they are a resident of a qualified low-income community within an applicable nominating jurisdiction, similar to S. 408 sponsored by Sens. Stabenow and Blunt.

Offset to be provided if necessary.

[NOTE – Amendment sponsors reserve the right to modify the amendment for technical or other purposes.]

Stabenow Amendment #2 to the Chairman's Mark of an Original Bill to Extend Certain Expired Tax Provisions

Cosponsors: Roberts, Brown

Short Title: To increase the limitation on the election to accelerate the AMT credit in lieu of bonus depreciation.

Description of Amendment:

This amendment would increase the limitation on AMT credits that can be accelerated in lieu of bonus depreciation from 6% or \$30 million per taxpayer (as provided for in current law) to 50% (as in Section 1(d) of S. 1666, introduced by Sens. Stabenow, Roberts, Brown, and Blunt).

Offset to be provided if necessary.

[NOTE – Amendment sponsors reserve the right to modify the amendment for technical or other purposes.]

Stabenow Amendment #3 to the Chairman's Mark of an Original Bill to Extend Certain Expired Tax Provisions

Cosponsors: Isakson, Brown, Carper

Short Title: Protecting America's Paper for Recycling Act

Description of Amendment:

This amendment would modify Section 45(C)(6) as set forth in S. 1246 (preventing waste-to-energy companies from claiming production tax credits for electricity generated by incinerating municipal solid waste collected in a one-bin system that commingles commonly recycled paper with other municipal solid waste, which has the effect of ruining significant amounts of paper that could otherwise be recycled several times by exposing it to household garbage and bacteria).

No offset expected to be needed (but one will be provided if necessary).

[NOTE – Amendment sponsors reserve the right to modify the amendment for technical or other purposes.]

Stabenow Amendment #4 to the Chairman's Mark of an Original Bill to Extend Certain Expired Tax Provisions

Cosponsors: Heller, Menendez, Isakson, Brown, Casey, Cardin

Short Title: Refinement to the Mortgage Forgiveness Tax Relief Act to Provide More Certainty to Struggling Homeowners

Description of Amendment:

This amendment would refine the Mortgage Forgiveness Tax Relief Act (which excludes from gross income the discharge of qualified principal residence indebtedness for discharges *completed* before January 1, 2017) by providing that any mortgage debt discharged would be eligible for the exclusion as long as it was pursuant to an arrangement *entered into and evidenced in writing* before January 1, 2017.

Offset to be provided if necessary.

[NOTE – Amendment sponsors reserve the right to modify the amendment for technical or other purposes.]

Cantwell/Roberts Amendment #1 to an Original Bill to Extend Certain Expired Tax Provisions

Cosponsors: Cardin, Schumer, Brown, Stabenow, Casey, Menendez

Short Title: Extend the LIHTC minimum low-income housing tax credit treatment to the 4% credit for the acquisition of existing property to complement the extension of the 9% minimum credit rate for new construction and substantial rehabilitation

Description of Amendment: LIHTC is a policy that effectively and efficiently promotes job creation while providing an affordable place for people to live. This tax credit is important to those in the housing industry, including: architects, plumbers, electricians, carpenters, concrete fabricators, bricklayers, roofers and other specialties.

The Chairman's Mark extends the expired 9% minimum credit rate for newly constructed affordable rental housing building and substantial rehabilitation expenditures. This amendment extends a minimum 4% credit for the acquisition of affordable existing property to compliment these efforts. This provision was approved by the Committee and the full Senate in the last Congress, and would create policy parity with the 9% credit. This minimum credit rate would only apply to the acquisition of existing properties that receive credit allocations from state housing credit agencies from their capped allocation and would not apply to properties which are financed with the proceeds of tax-exempt private activity bonds.

Offset: TBD

Cantwell/Roberts Amendment #2 to an Original Bill to Extend Certain Expired Tax Provisions

Short Title: To make permanent the temporary minimum credit rate for the low-income housing tax credit program and extend the minimum low-income housing tax credit treatment to the 4% credit for the acquisition of existing property

Description of Amendment: At the end of the bill, insert a new section containing the language of S. 1193.

Offset: TBD

Cantwell Amendment #3 to an Original Bill to Extend Certain Expired Tax Provisions

Cosponsors: Wyden

Short Title: Provide parity amongst credit rates for renewable technologies for the purposes of the renewable electricity production credit

Description of Amendment: The tax code provides an income tax credit under section 45 for the production of electricity from a qualified energy resource at a qualified facility. Qualified energy resources include wind, closed-loop biomass, open-loop biomass, geothermal energy, solar energy, small irrigation power, municipal solid waste, qualified hydropower production, and marine and hydrokinetic renewable energy. The credit amount for wind, closed-loop biomass and geothermal energy is 2.3 cents per kilowatt-hour while the credit for open-loop biomass, small irrigation power, municipal solid waste, qualified hydropower, and marine and hydrokinetic is reduced by half. The credit is generally available for electricity produced during the first 10 years after the facility has been placed in service.

This amendment would strike the relevant section of the code that reduces the renewable electricity production credit for these specific technologies. This amendment would go into effect on the date of enactment of the legislation for all qualifying facilities for electricity produced after the date of enactment. This will provide parity amongst technologies and ensure the federal government's support for renewable electricity is equitable.

Offset: TBD

Menendez Amendment #1

Short Title: The Student Loan Tax Relief Act

Cosponsors: Brown, Stabenow

Description of Amendment: Would repeal the tax currently imposed on student loans forgiven due to repayment under the Income Based Repayment (IBR) Program, Income Contingent Repayment (ICR) Program, death or disability. Currently, if the loan is forgiven for any of these reasons, the forgiven amount is considered taxable income, often leaving the former student or her family with a large and unexpected tax bill.

Offset to be provided upon consideration.

NOTE – Amendment sponsor reserves the right to modify the amendment for technical or other purposes

Menendez/Enzi Amendment #2

Short Title: FIRPTA Reform

Cosponsors: Enzi, Schumer, Isakson, Warner, Portman, Brown, Casey, Carper

Description of Amendment: This Amendment reduces the current impediments to U.S. investment by expanding the small shareholder exemption from 5 to 10 percent in publicly-traded real estate investment trusts (REITs) and exempts gains by foreign pension funds from FIRPTA. Specifically, increased foreign investment will jumpstart construction and real estate modernization projects and generate a need to build up surrounding infrastructure, including new sidewalks, roads and light rail. This investment would create economic opportunities in every region of the country and strengthen our middle class.

The 10 Percent REIT Shareholder Exception

Under current law, foreign shareholders owning 5 percent or less of publicly-traded companies are not subject to FIRPTA taxation upon a sale of stock or, if the company is a REIT, receipt of a capital gain dividend. The Amendment extends these exemptions to shareholders owning 10 percent or less of a publicly-traded REIT. The Amendment also provides that this extension applies to certain widely-held publicly-traded qualified collective investment vehicles that qualify under a comprehensive income tax treaty with the United States and meet certain reporting requirements. These reforms will provide more consistent U.S. tax treatment for investors in qualified collective investment vehicles and will attract significant amounts of additional infrastructure and real estate investment into the United States.

Foreign Pension Fund Exception

Under current law, gain of a U.S. pension fund on the disposition of a U.S. real property interest is generally exempt from U.S. tax, while gain of a foreign pension fund on the disposition of the same property is subject to U.S. taxation under FIRPTA. This Amendment would exempt gains of foreign pension funds from the disposition of U.S. real property interests from FIRPTA taxation and withholding. For purposes of the provision, a "foreign pension fund" is defined to mean a trust, corporation, or other organization or arrangement (i) that is created or organized outside the U.S., (ii) that is generally exempt from income tax in the jurisdiction in which it is created or organized, and (iii) substantially all the activity of which is to administer or provide pension or retirement benefits.

Offset to be provided upon consideration.

NOTE – Amendment sponsor reserves the right to modify the amendment for technical or other purposes

Menendez/Toomey Amendment #3

Short Title: Small Business R&D Partnerships Amendment

Cosponsor: Toomey

Description of Amendment: This amendment would ensure that the R&D credit works for small businesses and start-ups by creating R&D partnerships as described in S. 1658. These partnerships would exempt investments in specified high tech pass-thru entities from application of the passive activity loss rules.

Currently, many investors in pass-through R&D partnerships cannot claim losses during a company's "pre-revenue" phase until the company earns a profit. Many innovative companies spend years developing their product. Existing passive activity loss rules prevent losses from flowing through to passive investors during this time, discouraging investment in groundbreaking research.

By modifying Sec. 469 rules, the amendment would allow pre-revenue companies to flow tax assets such as the R&D tax credit to investors, making investments in these businesses more attractive and creating more parity in the tax code. The proposal identifies specific characteristics for small high tech pass through entities:

- a minimum percentage of expenditures incurred in connection with research and development ("R&D"), and
- either less than 250 employees or less than \$150 million in gross assets (excluding specified intangible assets and follow-on investments).

Pre-revenue companies that meet these requirements will be able to pass their tax assets through to their investors.

Offset to be provided upon consideration.

NOTE – Amendment sponsor reserves the right to modify the amendment for technical or other purposes

Menendez Amendment #4

Short Title: Clarification of Present Law to Ensure Exemption of Orphan Drugs from Pharmaceutical Manufacturers Fee

Description of Amendment: Amendment would clarify that the pharmaceutical fee exemption created in P.L. 111-148 include drugs that are designated as orphan drugs by the Food and Drug Administration (FDA).

When the Finance committee imposed a fee on branded prescription drugs during the creation of the Affordable Care Act, drugs used to specifically treat orphan diseases were excluded. The intent was to protect the current incentives in law which encourage innovation in the development of treatments for rare diseases. However, the IRS has interpreted the exemption from the pharmaceutical fee to be contingent only upon receipt of the Orphan Drug Tax Credit (ODTC) for that particular brand name product.

Therefore, a product could be designated by the FDA as an orphan drug but could still be subject to the fee if it did not specifically claim the ODTC. There are a variety of reasons why this may be the case. For instance, some orphan drug manufacturers eligible for the ODTC may have chosen to forego it years ago in lieu of another tax credit, such as the R&D credit. These orphan drugs would then be subject to the fee.

The orphan exemption from the pharmaceutical fee should logically be based on a drug's designation and not just its tax status. Therefore, this amendment would clarify the law to ensure that orphan drugs are exempt from the fee if they have been designated as such by the FDA and for which the ODTC was allowable for any tax year.

This amendment would be revenue neutral.

NOTE – Amendment sponsor reserves the right to modify the amendment for technical or other purposes

Menendez/Crapo Amendment #5

Short Title: Sustainable Water Infrastructure Act

Cosponsor: Crapo

Description of Amendment: This amendment would remove issuances of private activity bonds for water and wastewater projects from the annual volume caps. Removing these projects would make the PAB program far more effective in stimulating the critically needed financing of water and wastewater projects across the nation. Essentially, the amendment would allow local communities to leverage private capital markets in combination with other financial mechanisms to finance water and wastewater infrastructure projects. Certain bond issuances, such as bonds to finance airports, ports, certain inter-city rail projects, and solid waste projects are already exempt from the annual caps. Given the importance of quality water and sewage infrastructure and the incompatibility of the current PAB structure with the financing of these types of projects, it only makes sense to remove water and sewage projects from the annual volume caps.

Offset to be provided upon consideration.

NOTE – Amendment sponsor reserves the right to modify the amendment for technical or other purposes

Menendez/Toomey Amendment #6

Short Title: Expansion of Small Business Capital Gains Exemption

Cosponsor: Toomey

Description of Amendment: This amendment would increase the effectiveness of Section 1202 for small businesses by the threshold of this important small business tax provision. Specifically the amendment would:

- Increase the asset size threshold in Section 1202 from \$50 million threshold to \$75 million.

Offset to be provided upon consideration.

NOTE – Amendment sponsor reserves the right to modify the amendment for technical or other purposes

Menendez Amendment #7

Short Title: Extension of Section 45 Production Tax Credit ("PTC") for Certain Facilities

Description of Amendment: Allow qualified open-loop biomass and waste-to-energy facilities placed in service before date of enactment to claim the Section 45 PTC for production occurring after December 31, 2014 and prior to January 1, 2017. Qualifying facilities would be prohibited from claiming an aggregate stream of credits totaling more than 10 years.

Offset to be provided upon consideration.

NOTE – Amendment sponsor reserves the right to modify the amendment for technical or other purposes

Carper Amendment #1 to the Chairman's Mark of an Original Bill to Extend Certain Expired Tax Provisions

Short Title: Fuel Cell Property Investment Tax Credit Amendment

Description of Amendment: Amends Sections 48(c)(1)(D) of the Internal Revenue Code of 1986 by adding "commence construction" – allowing fuel cell property that are beginning to be built by December 31, 2016 to be eligible for the investment tax credit. Currently, the credit expires December 31, 2016.

For years, fuel cells were in the developmental phase, however, today the technology is finally making the transition to commercialization and being built and installed in the United States. Currently, stationary fuel cells can be installed and operational faster than wind and solar facilities and do not require additional transmission capability to move electricity to the end user. This flexibility allows fuel cell technology to provide reliable electricity even when the electric grid goes down. The fuel cell sales cycle is 12 months or more and the installation process takes approximately 6 months. Given that there is an approximately 18 month lead time, a December 2016 tax expiration will begin to effect U.S. fuel cell companies in the next few months. Adding the commence construction language will delay some of these impacts. It is important to note that the technology can use natural gas as a feedstock – an addition of "commence construction" puts this technology on parity with other wind and renewable technologies.

Estimated Ten Year Costs: \$18 million.

Offset: Offset to be determined.

Carper-Toomey Amendment #2 to the Chairman's Mark of an Original Bill to Extend Certain Expired Tax Provisions

Short Title: Equalize Tax Treatment of Contract Research in the R&E Credit

Description of Amendment: Amends section 41(b)(3) of the Internal Revenue Code of 1986 to equalize the treatment of contract research with the treatment of in-house research. Specifically, this amendment amends section 41(b)(3) to split the full (100 percent) value of the credit for "contract" research expenses, as set forth in section 2(e) of S.537, the *Competitiveness and Opportunity by Modernizing and Permanently Extending the Tax Credit for Experimentation (COMPETE) Act of 2015*.

Under current law, 100 percent of qualified research expenditures (QRE) conducted in-house qualifies for the R&D credit, but if a taxpayer ("payor") contracts with another taxpayer ("payee") to do research, then only 65 percent of that research spending qualifies for the research credit on the payor's tax return; no taxpayer may claim the other 35 percent of qualifying research spending against the R&D credit.

This amendment fixes this anomaly by allowing firms undertaking contract-funded research for other companies (i.e., the payee taxpayer who actually conducts the research project) to claim the applicable research credit for the remaining, unused 35 percent of qualifying research expenditures. (Current law allowing payor firms to claim 65 percent of qualifying research spending for purposes of the credit would be unchanged.) In addition, while the current statute and governing regulations already limit the R&E credit to that portion of a contract payment that are qualifying research expenditures (as opposed to overhead and profit, which do not qualify for the credit), this amendment and S.537 also include language ensuring that any contract payment amounts that are not for qualifying research would be ineligible for the split R&E credit.

This amendment's modifications to Section 41 apply retroactively to taxable years beginning after December 31, 2015. NOTE: Amendment sponsor reserves the right to modify the amendment for technical or other purposes.

Offset: To be determined at markup.

Carper-Toomey Amendment #3 to the Chairman’s Mark of an Original Bill to Extend Certain Expired Tax Provisions

Short Title: *COMPETE Act to Reform & Extend the R&E Credit*

Description of Amendment: Amends Section 41 of the Internal Revenue Code of 1986 to reform, strengthen, and permanently extend the Research and Experimentation (R&E or “R&D”) tax credit, as set forth in S.537, the *Competitiveness and Opportunity by Modernizing and Permanently Extending the Tax Credit for Experimentation (COMPETE) Act of 2015*.

1. The amendment modifies Section 41 of the Internal Revenue Code of 1986 to permanently extend the alternative simplified research credit and increase the rate from the current 14 percent to 25 percent. The traditional research credit remains expired. This modification to Section 41 applies retroactively to taxable years beginning after December 31, 2014.

2. The amendment equalizes the treatment of contract research with the treatment of in-house research. Specifically, this amendment amends section 41(b)(3) of the Internal Revenue Code of 1986 to split the full (100 percent) value of the credit for “contract” research expenses, as set forth in Section 2(e) of S.537, the *COMPETE Act of 2015*.

Under current law, 100 percent of qualified research expenditures (QRE) conducted in-house qualifies for the R&D credit, but if a taxpayer (“payor”) contracts with another taxpayer (“payee”) to do research, then only 65 percent of that research spending qualifies for the research credit on the payor’s tax return; no taxpayer may claim the other 35 percent of qualifying research spending against the R&D credit.

This amendment fixes this anomaly by allowing firms undertaking contract-funded research for other companies (i.e., the payee taxpayer who actually conducts the research project) to claim the applicable research credit for the remaining, unused 35 percent of qualifying research expenditures. (Current law allowing payor firms to claim 65 percent of qualifying research spending for purposes of the credit would be unchanged.) In addition, while the current statute and governing regulations already limit the R&E credit to that portion of a contract payment that are qualifying research expenditures (as opposed to overhead and profit, which do not qualify for the credit), this amendment and S.537 also include language ensuring that any

contract payment amounts that are not for qualifying research would be ineligible for the split R&E credit. This amendment's modifications to apply to taxable years beginning after December 31, 2015.

3. The amendment treats payments from firms to universities to conduct basic research as fully qualifying research expenditures for purposes of the R&E credit (100% reimbursement). This amendment's modifications to Section 41 apply retroactively to taxable years beginning after December 31, 2015.

4. The amendment allows the R&E credit against the alternative minimum tax, fixing a glitch that prevents some companies from using R&E credit. This modification to Section 41 applies retroactively to taxable years beginning after December 31, 2014.

5. The amendment further supports these changes to the R&E credit by improving Sec. 469 of the Internal Revenue Code of 1986. Specifically, the amendment helps direct capital toward small, as-yet unprofitable research firms by allowing an exception from current passive loss rules for investments in high-tech small passthrough entities, as set forth in S.537, the *COMPETE Act*, and S.341, the *Start-up Jobs and Innovation Act*. The amendment would allow pre-revenue companies to flow tax assets such as the R&E credit to investors, making investments in these businesses more attractive. This exception is limited to small high-tech passthrough entities, as defined in S.537 and S.341. The amendment would also include restrictions to prevent abuse and creation of tax shelters. This modification applies retroactively to taxable years beginning after December 31, 2014.

NOTE: Amendment sponsor reserves the right to modify the amendment for technical or other purposes.

Offset: To be determined at markup.

Carper-Menendez-Cardin Amendment #4 to the Chairman's Mark of an Original Bill to Extend Certain Expired Tax Provisions

Short Title: Offshore Wind Investment Tax Credit

Description of Amendment: Amends Section 48 of the Internal Revenue Code of 1986 by creating a 30% investment offshore wind tax credit for the first 3,000 MW offshore wind facilities placed into service.

The amendment mirrors S.1736 by requiring the Secretary of Treasury to consult with the Secretaries of Energy and the Interior when establishing this credit. However, the Secretary of Treasury makes the final decision on who is awarded the tax credit. Once awarded a tax credit, companies have up to 5 years to install the offshore wind facility. Companies cannot receive other production or investment tax credits in addition to the offshore wind investment tax credit. Amendment defines offshore facility as any facility located in the inland navigable waters of the United States, including the Great Lakes, or in the coastal waters of the United States, including the territorial seas of the United States, the exclusive economic zone of United States, and the outer Continental Shelf of the United States.

Estimated Ten Year Costs: \$3.5 billion.

Offset: Offset to be determined.

Carper-Stabenow Amendment #5 to the Chairman's Mark of an Original Bill to Extend Certain Expired Tax Provisions

Short Title: Alternative Fuel Vehicle and Infrastructure Amendment

Description of Amendment: Amends Sections 30B and 30C of the Internal Revenue Code of 1986 by extending the investment tax credits for hydrogen fuel cell vehicles and alternative fuel infrastructure for five years until December 31, 2019. Currently, both tax credits expired December 31, 2014.

Estimated Ten Year Costs: \$337 million for extending 30C and \$18 million for extending 30B – with total of \$355 million.

Offset: Offset to be determined.

Carper-Cardin-Warner Amendment #6 to the Chairman's Mark of an Original Bill to Extend Certain Expired Tax Provisions

Short Title: Waste Heat to Power Amendment

Description of Amendment: Amends Section 48 of the Internal Revenue Code of 1986 to include waste heat to power technology as eligible technology for the investment tax credit. The amendment mirrors S. 913, which passed out of the Finance Committee via voice vote on February 11, 2015.

Estimated Ten Year Costs: \$19 million.

Offset: Offset to be determined.

Carper Amendment #7 to the Chairman's Mark of an Original Bill to Extend Certain Expired Tax Provisions

Short Title: Closing the Tax Gap and Improving Tax Compliance

Description of Amendment: Amends the Internal Revenue Code of 1986 to improve compliance:

1. Amends Section 6331(h)(2) of the Internal Revenue Code of 1986 to authorize a continuous levy on payments to Medicaid providers and suppliers (as proposed in 112th Congress, S.1289, *Taxpayer Advocacy and Government Accountability Promotion (TAX GAP) Act of 2011*, Sec. 402). Applies to levies issued after December 31, 2016.

2. Amends Section 6050H(b)(2) of the Internal Revenue Code of 1986 to require IRS to revise Form 1098 to require third parties to provide additional information on returns relating to mortgage interest and state and local property taxes, including: (a) unpaid balance with respect to the taxpayer's mortgage, (b) address of the property securing such mortgage, and (c) information on whether the mortgage was refinanced in the current year. Applies to returns and statements the due date for which is after December 31, 2015.

3. Amends Section 3406(a) of the Internal Revenue Code of 1986 to require federal contractors receiving payments of \$600 or more in a calendar year from a particular business to furnish to the business (on Form W-9) the contractor's certified Taxpayer Identification Number (TIN) (as proposed in 112th Congress, S.1289, *Taxpayer Advocacy and Government Accountability Promotion (TAX GAP) Act of 2011*, Sec. 401). A business would be required to verify the contractor's TIN with IRS, which would be authorized to disclose, solely for this purpose, whether the certified TIN-name combination matches IRS records. If a contractor failed to furnish an accurate certified TIN, the business would be required to withhold a flat-rate percentage of gross payments. Applies to payments after December 31, 2016.

4. Amends Section 6213 of the Internal Revenue Code of 1986 to provide IRS with greater flexibility to address correctable errors. The amendment provides that "math error authority" refers only to computational errors the incorrect use of tables provided by IRS. The amendment also adds a new category of "correctable error authority" that provides Treasury with

regulatory authority to permit IRS to correct errors in cases where (1) the information provided by the taxpayer does not match the information contained in government databases, (2) the taxpayer has exceeded the lifetime limit for claiming a deduction or credit, or (3) the taxpayer has failed to include with his or her return documentation that is required by statute. Applies to returns and statements the due date for which is after December 31, 2015.

5. Amends Section 6049(a) of the Internal Revenue Code of 1986 to improve information reporting on unreported and underreported financial accounts. Requires financial institutions to report on the existence, but not the dollar value, of all financial accounts. This amendment (a) eliminates the reporting exception for accounts paying less than \$10 (\$0.01 through \$9.99) in interest per year, and (b) enacts an equivalent reporting requirement for accounts that pay zero interest (\$0.00) per year. The term “reportable deposit” is defined to include any bank, building and loan association, homestead association, credit union, industrial loan association, or broker. Applies to returns filed after December 31, 2016.

Cardin Amendment #1 to an Original Bill to Extend Certain Expired Tax Provisions

Cosponsors: Brown, Warner

Short Title: Improvement of the section 179D tax deduction for energy efficient commercial and multifamily buildings

Description of Amendment: This amendment, based on the modifications in Title I of the Cardin-Feinstein-Schatz Energy Efficiency Tax Incentives Act (S. 2189, 113th Congress) would incorporate the modifications of Title I of S. 2189 into section 179D, including the following:

- For new construction, increase the “whole building deduction” amount to \$3.00/sf, the “partial deduction” amount to \$1.00/sf, and allow for a “multiple systems” deduction of \$2.20/sf.
- Allow an alternative path to incentivize existing building retrofits based on measured and verified improvements over a structure’s own energy consumption baseline, and offer the incentive based on a sliding scale (starting at 20% energy improvement) that increases in amounts as correlated to higher levels of building energy performance due to a retrofit.
- Enable private sector and non-profit building owners – like public building owners – to allocate the deduction to third parties responsible for an energy efficient building project. For new construction, allow the owner to allocate the deduction to the building designer (consistent with current law) and a building tenant. For existing building retrofits, allow the owner to allocate the deduction to an expanded group of recipients who design, underwrite, occupy and are otherwise responsible for the particular retrofit project.
- Allow for clarifying provisions and special rules so that partnerships, S corporations, real estate investment trusts, and other entities can receive the economic value of a deduction, whether retained by the owner or allocated by the owner (at its discretion) to a third party responsible for the project.
- Provide for automatic increases in the energy performance standards used to calculate the deduction.

Section 179D provides a tax deduction for energy efficiency improvements in commercial buildings. The maximum incentive amount is \$1.80/square foot of a building that is designed to achieve a 50% improvement in energy performance over the ASHRAE 90.1 (year 2001)

standard, which applies to energy efficiency in commercial and larger multifamily structures. A “partial deduction” in the amount of \$.60/square foot is also allowed, based on performance targets for specific building systems (lighting, heating and cooling, envelope, and water heating) as developed by the Treasury Secretary in consultation with the Energy Secretary.

Section 179D allows public building owners – which cannot benefit from tax incentives – to allocate the deduction to the entity primarily responsible for the design of the building.

The current incentive amounts of \$1.80/sf (full deduction) and \$.60/sf (partial deduction) have not encouraged widespread market uptake of section 179D, considering the high costs borne by building owners with regard to heating, cooling, and envelope equipment and components. Modest increases in these incentive amounts will encourage greater energy efficiency construction projects.

The incentive that expired in 2014, which pegs the maximum incentive to 50% improvements over an ASHRAE 90.1 model building, has been successful, particularly in the context of new construction and public buildings with decades-long service lives and ownership horizons. The amendment proposes to strengthen the incentive, especially for existing building “retrofit” projects for structures held by private sector and non-profit entities.

In the case of such energy improvements for existing buildings as a result of a retrofit upgrade, the amendment would allow measuring energy improvements against the structure’s own measured and verifiable “baseline” benchmark rather than the ASHRAE benchmark that is more appropriate for new construction. Additionally, 50% improvements in a building’s energy performance – while not impossible – could be resource prohibitive in many existing buildings. This is especially the case for larger buildings with multiple uses and occupants in our nation’s urban and suburban growth centers. Instead, the amendment would adopt a more meaningful approach to incentivize building efficiency by providing a sliding scale that provides greater deduction amounts as correlated to higher levels of actual and verified energy performance.

The current law’s allocation provision, which allows public building owners to allocate the energy efficient commercial deduction, has increased federal, state, and local government investment in energy efficiency by lowering the project costs for the government entity. Other real estate holding structures (such as certain partnerships, real estate investment trusts, and non-profits) are similarly situated to public owners, insofar as they do not have the income or entity-level tax liability to benefit from a tax deduction. The amendment would further

increase the effectiveness of the incentive by making the deduction allocable by public, private, and non-profit building owners alike. It would also clarify that partnerships, S corporations, real estate investment trusts, and other entities can receive the economic value of a deduction.

Offset: To be provided.

[Note: Amendment sponsor(s) reserve the right to modify this amendment for technical, revenue-related (if applicable), germaneness, or other purposes.]

Cardin Amendment #2 to an Original Bill to Extend Certain Expired Tax Provisions

Cosponsors: Portman, Brown, Warner

Short Title: Modification of the section 179D tax deduction to improve standards and increase utilization of the deduction

Description of amendment: This amendment would strengthen the 179D deduction in two ways.

First, the amendment would increase the baseline standard to qualify for the deduction from ASHRAE 90.1-2001 levels to ASHRAE 90.1-2007 levels for property placed in service after December 31, 2015.

Second, the amendment would enable non-profit building owners and tribal government building owners to allocate the deduction (as federal, state, and local government building owners are already permitted to do).

These two changes were incorporated into the modified Chairman's mark during Committee consideration of the EXPIRE Act in 2014.

Offset: To be provided.

[Note: Amendment sponsor(s) reserve the right to modify this amendment for technical, revenue-related (if applicable), germaneness, or other purposes.]

Cardin Amendment #3 to an Original Bill to Extend Certain Expired Tax Provisions

Cosponsors: Roberts, Brown, Warner

Short Title: Modification of the section 179D tax deduction to aid passthrough and flowthrough entities in claiming the full value of the deduction

Description of amendment: This amendment would allow S corporations, partnerships, and REITs to utilize the full economic value of the 179D deduction.

Under current section 179D, S corporations, partnerships, and REITs may take or receive an allocation of the 179D deduction. However, rules regarding basis adjustments with respect to partnership interests and S corporation shares, and earnings and profits rules with respect to REITs, have unexpectedly limited the ability of these entities to receive the full value of the deduction.

To cure this unexpected result, the amendment provides for earnings and profits conformity for non-captive REITs, and allows partners and S corporation shareholders to take the 179D deduction at the shareholder or partner level.

Many of these entities are small and medium-sized businesses; this solution will enable these entities to take better advantage of the 179D deduction and properly incentivize commercial design and implementation of energy efficient measures.

Offset: To be provided.

[Note: Amendment sponsor(s) reserve the right to modify this amendment for technical, revenue-related (if applicable), germaneness, or other purposes.]

Cardin Amendment #4 to an Original Bill to Extend Certain Expired Tax Provisions

Short Title: Section 45 incentive for source-neutral energy efficient transmission

Description of amendment: This amendment adds to section 45(d) a new type of qualified investment credit facility that includes high efficiency energy transmission and distribution projects. Qualifying properties include the transmission and distribution systems necessary to economically and efficiently transport the energy produced with qualified energy sources under section 45 along with traditional energy sources, across the country and into and within cities. Investors in this type of transmission property will receive credits worth 30% of the transmission project value pursuant to the interaction of section 45(d) with section 48.

The credits available would be capped at \$65 million total for property for which construction has begun before January 1, 2017.

To qualify for the credit:

- Eligible transmission infrastructure should be able to transmit high voltage electricity with minimal energy losses over long distances and/or enable high power transmission at distribution voltage levels to improve the load serving capability, reliability and resiliency of urban power grids. Efficient, long distance transmission will make renewable energy sources more readily available to consumers in expanded areas of the county.
- For power distribution, there should be interconnection of urban substations, increasing the amount of power they can supply while simultaneously allowing them to survive major failure events while mitigating the siting challenges associated with installing new power system equipment in dense urban environments. Overall, energy security is strengthened and availability is increased.
- Unlike conventional transmission technologies, these new investments should not emit an electromagnetic field and will be located underground, eliminating the problems of inefficient land use and unsightly towers.

The amendment would implement these general criteria as follows:

- The legislation defines a new term called “qualified advanced high efficiency power transmission and distribution property.” The definition is written in a technology-neutral way and is aimed at overall goals, not particular materials or other technologies.
- An appropriate energy regulatory body must determine that the qualified property for electric utilities or similar entities to be in the public interest and therefore eligible for inclusion in regulated rates.
- Qualified property must be capable of transmission underground, electric power that (1) has a magnitude that is at least twice that of industry standard copper or aluminum power property of the same voltage rating; and (2) has an electrical resistance of at least 100 times less than that of industry standard copper or aluminum power property of the same voltage rating.

[Note: Amendment sponsor(s) reserve the right to modify this amendment for technical, revenue-related (if applicable), germaneness, or other purposes.]

Cardin Amendment #5 to an Original Bill to Extend Certain Expired Tax Provisions

Cosponsors: Schumer, Brown, Stabenow, Menendez

Short Title: Amendment to adjust the New Markets Tax Credit limitation for inflation

Description of amendment: The amendment adjusts the New Markets Tax Credit limitation based on inflation from 2000, the year of enactment, going forward. This will result in a credit limitation of approximately \$4.9 billion in 2015 and \$5.1 billion in 2016.

Throughout the history of the NMTC, demand for credits has outpaced the amount authorized. Treasury made the first NMTC allocation in 2003. Since then, Treasury has received allocation applications for \$301 billion, but only \$43.5 billion on NMTC allocation has been authorized.

Because the NMTC lacks an annual inflation adjustment, the level of NMTC financing available to distressed communities has declined in real terms over the past 8 years. In 2007, \$3.5 billion in NMTC allocation authority was available, the same amount available in the 2014 application round. After adjusting for inflation, NMTC allocation authority has declined by 12.3 percent since 2007. The decline of NMTC allocations makes the task of encouraging private investment and revitalizing underserved communities more and more difficult.

This provision is included in S. 591, cosponsored by Senators Blunt, Schumer, Daines, Cardin, Wicker, Franken, and Klobuchar.

Legislative text: Section 45D(f)(1) of the Internal Revenue Code of 1986 is amended by:

(a) in subparagraph (G), striking “2011, 2012, and 2013” and inserting “2011, 2012, 2013, 2014”, and

(b) at the end, adding a new subparagraph:

“(H) In the case of calendar years 2015 and 2016, the dollar amount in paragraph (1)(G) shall be increased by an amount equal to--

“(i) such dollar amount, multiplied by

“(ii) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year, determined by substituting ‘calendar year 2000’ for ‘calendar year 1992’ in subparagraph (B) thereof.

“Any increase under this subparagraph that is not a multiple of \$1,000,000 shall be rounded to the nearest multiple of \$1,000,000.”

Offset: To be provided.

[Note: Amendment sponsor(s) reserve the right to modify this amendment for technical, revenue-related (if applicable), germaneness, or other purposes.]

Cardin Amendment #6 to an Original Bill to Extend Certain Expired Tax Provisions

Cosponsors: Schumer, Brown, Stabenow, Menendez

Short Title: Amendment to provide for a one-time adjustment to the NMTC credit limitation in order to partially offset allocation erosion due to inflation

Description of amendment: This amendment will provide a one-time increase to the NMTC credit limitation by the rate of inflation between 2008-2015, increasing the annual credit limitation to \$3.94 billion for 2015 and 2016.

Throughout the history of the NMTC, demand for credits has outpaced the amount authorized. Treasury made the first NMTC allocation in 2003. Since then, Treasury has received allocation applications for \$301 billion, but only \$43.5 billion on NMTC allocation has been authorized.

Because the NMTC lacks an annual inflation adjustment, the level of NMTC financing available to distressed communities has declined in real terms over the past 8 years. In 2007, \$3.5 billion in NMTC allocation authority was available, the same amount available in the 2014 application round. After adjusting for inflation, NMTC allocation authority has declined by 12.3 percent since 2007.

The decline of NMTC allocations makes the task of encouraging private investment and revitalizing underserved communities more and more difficult. This one-time increase will restore the NMTC credit limitation's value to 2007 levels in real dollar terms for 2015 and 2016.

A broader version of this provision is included in Cardin Amendment #5 and S. 591, cosponsored by Senators Blunt, Schumer, Daines, Cardin, Wicker, Franken, and Klobuchar.

Offset: To be provided.

[Note: Amendment sponsor(s) reserve the right to modify this amendment for technical, revenue-related (if applicable), germaneness, or other purposes.]

**Brown/Bennet/Cantwell/Cardin/Carper/Casey/Menendez/Schumer/
Stabenow/Warner/Wyden Amendment #1**

Short Title: Making the EITC and the CTC Permanent

Description of Amendment: Amendment will make permanent changes to the EITC and CTC that expire at the end of 2017 under the “American Taxpayer Relief Act of 2012”:

- **Increase the Size of the EITC for Families with More than Two Children:** This was done to address the issue that costs rise with family size, but wages do not. For children across all income levels, 36 percent live in families with two or more children. However, for children living in poverty, 50 percent are in families with two or more children. If Congress fails to act, the maximum EITC for families with more than two children would be cut by more than \$700 in 2018.
- **Reducing Marriage Penalties:** The EITC imposes significant penalties on married couples. If a single parent receiving EITC marries, the addition of the spouse’s income may reduce or eliminate that family’s EITC. The “Bush Tax Cuts” increased the phase-out threshold for married couples to \$3,000 above the threshold for a single filer. The ARRA increased that amount to \$5,000 and indexed it for inflation. If this provision is not extended, the phase-out threshold for married couples will revert to \$3,000 above the threshold for single filers in 2018.
- **Reducing the Threshold for Accessing the CTC:** Originally, the threshold for determining access to the CTC and the size of the credit excluded the first \$10,000 in income (indexed for inflation). This dramatically reduced access to and size of the CTC for low-income families. The ARRA reduced the threshold to \$3,000. If Congress fails to act, the threshold would revert to \$14,700 and the income needed to qualify for a full CTC would increase from \$16,330 to \$28,000 in 2018. Under this scenario, a single mother of two working full time at minimum wage (\$14,500) would lose her entire CTC.

Offset: TBD

NOTE – Amendment sponsor reserves the right to modify the amendment for technical or other purposes

**Brown/Wyden/Schumer/Stabenow/Menendez/Cantwell
/Cardin/Bennet/Casey/Warner Amendment #2**

Short Title: Expanding the EITC for Workers without Children

Description of the Amendment: Childless workers are the sole group that the federal tax system can tax into poverty or deeper into poverty. There is a small credit for workers without children but the maximum amount is \$496 and the credit begins to phase out at \$8,110 and phases out completely at \$14,590. In addition, all childless workers younger than 25 are ineligible for the EITC. The average credit for childless workers aged 25 to 64 is \$277.

Amendment reduces the age limit to qualify for the EITC from 25 to 21 and expands the size of the credit by adjusting the EITC formula for childless workers in the manner illustrated below:

	Current Policy	The Working Families Tax Relief Act
Credit Rate	7.65%	15.3%
Income to Qualify for Maximum Credit	\$6,480	\$9,100
Maximum Credit	\$496	\$1,400
Phase-Out Threshold	\$8,110	\$10,750
Phase-Out Rate	7.65%	15.3%
Income Where Credit = 0	\$14,590	\$19,850

Offset: TBD

NOTE – Amendment sponsor reserves the right to modify the amendment for technical or other purposes

Brown/Wyden/Schumer/Stabenow/Menendez/Cantwell/Cardin/Bennet/Casey/

Warner

Amendment #3

Short Title: Indexing the Child Tax Credit

Description of Amendment: Currently the allowance of the Child Tax Credit and the AGI threshold where the credit phases out are not indexed for inflation. The maximum CTC and the income threshold at which the credit begins to phase out are not indexed for inflation. This is particularly egregious when considering that the estate tax was indexed for inflation in exchange for the last extension of the CTC. A recent study from Columbia University concluded that if the CTC were not indexed, 750,000 children under 17 and their families would fall below the poverty line by the end of the decade. Amends Section 24 of the Internal Revenue Code of 1986 so that allowance of the credit (24(a)) of the credit and the income threshold (24(b)) shall each be increased by the cost-of-living adjustment.

Offset: TBD

NOTE – Amendment sponsor reserves the right to modify the amendment for technical or other purposes

Brown/Cardin/Wyden Amendment #4

Short Title: Amendment to Reduce the Private Sector Contribution Requirement for QZABs

Description of Amendment: QZABs are tax credit bonds used to finance school renovations. They currently require a 10% match from the private sector, which is an obstacle for some projects, particularly for small and rural school districts. This amendment would lower the requirement to a 5% match to maintain the public-private partnership aspect, but make the requirement more manageable for school districts to meet.

Offset: TBD

NOTE – Amendment sponsor reserves the right to modify the amendment for technical or other purposes

Brown/Wyden Amendment #5

Short Title: Modification of the Electric Motorcycle Credit to remove retroactivity and instead have the 2 year extension period prospective and to increase the credit from 10% to 30%.

Description of Amendment: This amendment would award a 30% tax credit to consumers who purchase electric motorcycles, helping to encourage both production of clean energy vehicles and to create an American market for American clean vehicle technology. Much like the former tax credit for the Prius, it incentivizes consumers to buy cleaner running vehicles that lessen our country's use of foreign oil. As economy of scale, the cost will go down as more motorcycles are produced, until the cost goes down enough to allow a level playing field for internal combustion engines and electric motorcycles, and there is no longer a need for the credit.

The credit also is prospective for 2 years, as of date of enactment, rather than retroactive to the beginning of the year and prospective for another year.

Offset: TBD

Bennet Amendment #1 to an original bill to Extend Certain Expired Tax Provisions.

Cosponsors: Burr, Brown

Short Title: An amendment to reform and improve the educator expense deduction.

Description of Amendment: Under the current law, teachers can deduct up to \$250 for purchasing certain unreimbursed expenses, such as school supplies. This amendment would index this threshold to inflation. In addition, the amendment would enable teachers to use the deduction to cover professional development expenses.

Offset: To be provided

[NOTE – Amendment sponsor reserves the right to modify the amendment for technical, revenue-neutrality, or other purposes.]

Bennet Amendment #2 to an original bill to Extend Certain Expired Tax Provisions.

Cosponsor: Stabenow

Short Title: An amendment to allow companies engaged in a range of renewable energy, energy storage and other clean energy projects to form master limited partnerships.

Description of the Amendment: This amendment, based on S. 1656 (Coons/Moran), would allow companies engaged in a range of energy projects such as electricity generation from renewable sources, biofuels, energy efficiency, carbon capture to form master limited partnerships (MLPs). By statute, MLPs have only been available to investors in fossil fuel energy portfolios for oil, natural gas, coal extraction and pipeline projects in the energy sector. This amendment would enable renewable energy projects to access capital at a lower cost. Newly eligible renewable and other clean energy technologies would include solar (PV and CSP), wind, hydropower, geothermal, marine/hydrokinetic, fuel cells, electricity storage, combined heat and power, biomass, waste heat to power, renewable fuels, energy efficient buildings, gasification, and carbon capture and storage.

Offset: To be provided.

[NOTE – Amendment sponsor reserves the right to modify the amendment for technical, revenue-neutrality, or other purposes.]

Bennet Amendment #3 to an original bill to Extend Certain Expired Tax Provisions.

Short Title: An amendment to allow certain students to exclude from income discharges of indebtedness on their student loans.

Description of the Amendment: The extenders bill excludes discharges of indebtedness from gross income associated with principal write-downs and short sales. When there have been findings of fraud against certain institutions of higher education, the Department of Education can discharge a student's loans. This amendment would ensure that such discharges of indebtedness would also be excluded from gross income.

Offset: To be provided.

[NOTE – Amendment sponsor reserves the right to modify the amendment for technical, revenue-neutrality, or other purposes.]

Casey/ Brown Amendment #1 to the Chairman's Mark of an Original Bill to Extend Certain Expired Tax Provisions

Short Title: Adoption Tax Credit Refundability Act

Description of Amendment: This amendment would make the Adoption Tax Credit fully refundable.

The Adoption Tax Credit was made permanent in the American Taxpayer Relief Act in January 2013. However, that law did not extend the refundability provisions that applied to the adoption tax credit in 2010 and 2011. The Adoption Tax Credit Refundability Act will restore the refundable portion of this critical support for families wishing to adopt.

Offset: To be provided.

Casey/ Cornyn/ Stabenow/ Heller/ Brown/ Portman/ Isakson/ Roberts Amendment #2 to the Chairman's Mark of an Original Bill to Extend Certain Expired Tax Provisions

Short Title: Make Permanent 15-Year Cost Recovery for Improvements to Leaseholds, Restaurants and Retail Facilities

Description of Amendment: This amendment would make permanent 15-year cost recovery for improvements to leaseholds, restaurants and retail facilities.

One of the proposed extender provisions establishes 15-year cost recovery for improvements to leaseholds, restaurants and retail facilities through 2016. This amendment simply makes that proposed temporary provision permanent. Without this amendment, taxpayers will have to recover such improvement costs over much longer periods, if and when the proposed temporary provision expires.

Offset: To be provided.

Casey Amendment #3 to the Chairman's Mark of an Original Bill to Extend Certain Expired Tax Provisions

Short Title: POWER Act

Description of Amendment: Amends the Internal Revenue Code to: (1) allow a 30% energy tax credit for combined heat and power system property and increase the capacity limitations for such property, (2) extend until December 31, 2018, the placed-in-service deadline for such property, and (3) allow a 30% energy tax credit for waste heat to power property (property comprising a system generating electricity through the recovery of a qualified waste heat resource) placed in service before January 1, 2019.

Includes within the definition of "qualified waste heat resource": (1) exhaust heat or flared gas from any industrial process; (2) waste gas or industrial tail gas that would otherwise be flared, incinerated, or vented; and (3) a pressure drop in any gas for an industrial or commercial process. Excludes from such definition any heat resource from a process the primary purpose of which is the generation of electricity utilizing a fossil fuel or nuclear energy.

Offset: To be provided.

Casey/ Brown Amendment #4 to the Chairman's Mark of an Original Bill to Extend Certain Expired Tax Provisions

Short Title: Child and Dependent Care Tax Credit Enhancement

Description of Amendment:

Amends the Internal Revenue Code, with respect to the tax credit for employment-related expenses incurred for the care of a taxpayer's dependent, to: (1) increase to \$120,000, the adjusted gross income threshold level above which such credit is incrementally reduced; (2) increase the dollar limit on the allowable amount of such credit; (3) allow an inflation adjustment to the threshold amount and the maximum credit amounts, beginning after 2016; and (4) make such credit refundable.

Offset: To be provided.

Warner Amendment #1 to an Original Bill to Extend Certain Expired Tax Provisions

Cosponsor: Cardin

Short Title: Improved utilization of the 25 (C) Tax Credit for Energy Efficiency Improvements to Existing Homes

Description of Amendment: Modifications to Sec. 25C credit for non-business energy efficient property:

- Adjust qualification standards for windows, doors, and skylights so they must meet Energy Star v.6.0 standards (code sec. 25C(c)(1)).
- Differentiate between storage and tankless water heaters (code sec. 25C(d)(3)(D)). Natural gas, propane, and oil storage water heaters must have an energy factor of 0.80, or thermal efficiency of 90 percent. Tankless natural gas, propane, and oil water heaters must have an energy factor of 0.90 or thermal efficiency of 90 percent.
- Adjust testing standards for stoves (code sec. 25C(d)(3)(E)) to have a thermal efficiency of 75 percent using the higher heating value, and tested in accordance with CSA Standard B415.1.
- Differentiate oil hot water boilers (code sec. 25C(d)(4)), to have an annual fuel utilization efficiency not less than 90.
- Expand language that specifies pigmented metal roofs and asphalt roofs with cooling granules to include all “roof and roof products that meet Energy Star program guidelines” (code sec. 25C(c)(1) and sec. 25C(c)(2)(D)).

Installation costs should be included in the cost of the measure.

Warner Amendment #2 to an Original Bill to Extend Certain Expired Tax Provisions

Short Title: Modification of Bonus Depreciation

Description of Amendment: This amendment modifies the extension of the 50-percent additional first-year depreciation deduction contained in the Chairman's Mark to provide a 50-percent additional first year depreciation to qualified property purchased and placed in service generally before January 1, 2016. In the second year, this amendment modifies the bonus depreciation provision to allow a 30-percent additional first-year depreciation deduction to qualified property purchased and placed in service generally before January 1, 2017.