

106TH CONGRESS
2D SESSION

H. R. 4958

To amend the Internal Revenue Code of 1986 to allow a credit against income tax for a portion of the cost of converting from the use of heating oil to natural gas or to a renewable energy source.

IN THE HOUSE OF REPRESENTATIVES

JULY 25, 2000

Ms. SLAUGHTER (for herself and Mr. BARTON of Texas) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to allow a credit against income tax for a portion of the cost of converting from the use of heating oil to natural gas or to a renewable energy source.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Heating Fuel Cost Re-
5 lief Act of 2000”.

1 **SEC. 2. CREDIT FOR COST OF CONVERTING FROM HEATING**
2 **OIL USE TO USE OF NATURAL GAS OR A RE-**
3 **NEWABLE ENERGY SOURCE.**

4 (a) IN GENERAL.—Subpart B of part IV of sub-
5 chapter A of chapter 1 of the Internal Revenue Code of
6 1986 is amended by adding at the end the following new
7 section:

8 **“SEC. 30B. HEATING OIL CONVERSION COSTS.**

9 “(a) IN GENERAL.—There shall be allowed as a cred-
10 it against the tax imposed by this chapter for the taxable
11 year an amount equal to 20 percent of the cost of heating
12 oil conversion property placed in service by the taxpayer
13 during the taxable year.

14 “(b) MAXIMUM CREDIT.—The credit allowed by this
15 section for any taxable year shall not exceed \$1,000.

16 “(c) HEATING OIL CONVERSION PROPERTY.—For
17 purposes of this section—

18 “(1) IN GENERAL.—The term ‘heating oil con-
19 version property’ means—

20 “(A) property designed to modify existing
21 heating equipment which uses heating oil as a
22 fuel so that such equipment will use natural gas
23 or a renewable energy source, and

24 “(B) property which uses natural gas or a
25 renewable energy source and which replaces ex-

1 isting heating equipment which uses heating oil
2 for such purposes.

3 “(2) RENEWABLE ENERGY SOURCE.—The term
4 ‘renewable energy source’ means energy derived
5 from solar, wind, geothermal deposits, biomass, or
6 landfill gas.

7 “(d) APPLICATION WITH OTHER CREDITS.—The
8 credit allowed by subsection (a) for any taxable year shall
9 not exceed the excess (if any) of—

10 “(1) the regular tax for the taxable year re-
11 duced by the sum of the credits allowable under sub-
12 part A and the preceding sections of this subpart,
13 over

14 “(2) the tentative minimum tax for the taxable
15 year.

16 “(e) BASIS ADJUSTMENT.—For purposes of this sub-
17 title, if a credit is allowed under this section for any ex-
18 penditure with respect to any property, the increase in the
19 basis of such property which would (but for this sub-
20 section) result from such expenditure shall be reduced by
21 the amount of the credit so allowed.”

22 (b) CONFORMING AMENDMENTS.—

23 (1) Subsection (a) of section 1016 of such Code
24 is amended by striking “and” at the end of para-
25 graph (25), by striking the period at the end of

1 paragraph (26) and inserting “; and”, and by add-
2 ing at the end the following new paragraph:

3 “(27) to the extent provided in section 30B(e),
4 in the case of amounts with respect to which a credit
5 has been allowed under section 30B.”

6 (2) The table of sections for subpart B of part
7 IV of subchapter A of chapter 1 of such Code is
8 amended by inserting after the item relating to sec-
9 tion 30A the following new item:

“Sec. 30B. Heating oil conversion costs.”

10 (c) EFFECTIVE DATE.—The amendments made by
11 this section shall apply to taxable years beginning after
12 December 31, 2000.

○