

106TH CONGRESS
1ST SESSION

S. 1759

To amend the Internal Revenue Code of 1986 to allow a refundable credit for taxpayers owning certain commercial power takeoff vehicles.

IN THE SENATE OF THE UNITED STATES

OCTOBER 21, 1999

Mr. BREAUX (for himself and Mr. MACK) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to allow a refundable credit for taxpayers owning certain commercial power takeoff vehicles.

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 “Fuel Tax Equalization
5 Credit for Substantial Power Takeoff Vehicles Act”.

6 **SEC. 2. REFUNDABLE CREDIT FOR TAXPAYERS OWNING**
7 **COMMERCIAL POWER TAKEOFF VEHICLES.**

8 (a) IN GENERAL.—Section 34 of the Internal Rev-
9 enue Code of 1986 (relating to certain uses of gasoline

1 and special fuels) is amended by adding at the end the
2 following new subsection:

3 “(c) CREDIT FOR COMMERCIAL POWER TAKEOFF
4 VEHICLES.—

5 “(1) IN GENERAL.—There shall be allowed as a
6 credit against the tax imposed by this subtitle for
7 the taxable year the amount of \$250 for each quali-
8 fied commercial power takeoff vehicle owned by the
9 taxpayer as of the close of the calendar year in
10 which or with which the taxable year of the taxpayer
11 ends.

12 “(2) QUALIFIED COMMERCIAL POWER TAKEOFF
13 VEHICLE.—For purposes of this subsection, the term
14 ‘qualified commercial power takeoff vehicle’ means
15 any highway vehicle described in paragraph (3)
16 which is propelled by any fuel subject to tax under
17 section 4041 or 4081 if such vehicle is used in a
18 trade or business or for the production of income
19 (and is licensed and insured for such use).

20 “(3) HIGHWAY VEHICLE DESCRIBED.—A high-
21 way vehicle is described in this paragraph if such ve-
22 hicle is—

23 “(A) designed to engage in the daily collec-
24 tion of refuse or recyclables from homes or
25 businesses and is equipped with a mechanism

1 under which the vehicle's propulsion engine pro-
2 vides the power to operate a load compactor, or

3 “(B) designed to deliver ready mixed con-
4 crete on a daily basis and is equipped with a
5 mechanism under which the vehicle's propulsion
6 engine provides the power to operate a mixer
7 drum to agitate and mix the product en route
8 to the delivery site.

9 “(4) EXCEPTION FOR VEHICLES USED BY GOV-
10 ERNMENTS, ETC.—No credit shall be allowed under
11 this subsection for any vehicle owned by any person
12 at the close of a calendar year if such vehicle is used
13 at any time during such year by—

14 “(A) the United States or an agency or in-
15 strumentality thereof, a State, a political sub-
16 division of a State, or an agency or instrumen-
17 tality of one or more States or political subdivi-
18 sions, or

19 “(B) an organization exempt from tax
20 under section 501(a).

21 “(5) DENIAL OF DOUBLE BENEFIT.—The
22 amount of any deduction under this subtitle for any
23 tax imposed by subchapter B of chapter 31 or part
24 III of subchapter A of chapter 32 for any taxable
25 year shall be reduced (but not below zero) by the

1 amount of the credit determined under this sub-
2 section for such taxable year.”

3 (b) **EFFECTIVE DATE.**—The amendment made by
4 this section shall apply to taxable years ending after De-
5 cember 31, 1999.

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