

107TH CONGRESS
1ST SESSION

H. R. 2264

To amend the Internal Revenue Code of 1986 to expand the expensing
of environmental remediation costs.

IN THE HOUSE OF REPRESENTATIVES

JUNE 21, 2001

Mr. WELLER (for himself, Mr. COYNE, and Mrs. JOHNSON of Connecticut)
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 expand
the expensing of environmental remediation costs.

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. EXPANSION OF EXPENSING OF ENVIRON-**
4 **MENTAL REMEDIATION COSTS.**

5 (a) PROVISION MADE PERMANENT.—Section 198 of
6 the Internal Revenue Code of 1986 (relating to expensing
7 of environmental remediation costs) is amended by strik-
8 ing subsection (h).

9 (b) EXPANSION OF ELIGIBLE CONTAMINATES.—

1 (1) IN GENERAL.—Section 198(c)(1)(B) of the
2 Internal Revenue Code of 1986 (defining qualified
3 contaminated site) is amended by striking “haz-
4 arduous substance” and inserting “hazardous or toxic
5 substance, or in which is located 1 or more struc-
6 tures in which such substance is found or of which
7 such substance is a part”.

8 (2) HAZARDOUS OR TOXIC SUBSTANCE.—Sec-
9 tion 198(d)(1) of such Code (defining hazardous
10 substance) is amended—

11 (A) by inserting “or toxic” after “haz-
12 arduous” in the matter preceding subparagraph
13 (A),

14 (B) by striking “and” at the end of sub-
15 paragraph (A),

16 (C) by striking the period at the end of
17 subparagraph (B) and inserting a comma, and

18 (D) by adding at the end the following new
19 subparagraphs:

20 “(C) any substance which is listed as an
21 extremely hazardous substance under section
22 302(a) of the Emergency Planning and Com-
23 munity Right-to-Know Act of 1986, and

24 “(D) any asbestos (whether friable or non-
25 friable), oil (as defined in section 1001(23) of

1 the Oil Pollution Act of 1990), pesticide (as de-
2 fined in section 2(u) of the Federal Insecticide,
3 Fungicide, and Rodenticide Act), radon, and
4 lead-based paint (as defined in Lead: Require-
5 ments for Disclosure of Known Lead-Based
6 Paint and/or Lead-Based Paint Hazards in
7 Housing (61 Fed. Reg. 9062)).”.

8 (3) CONFORMING AMENDMENTS.—

9 (A) Paragraphs (1) and (2) of section
10 198(b) of such Code are each amended by in-
11 serting “or toxic” after “hazardous”.

12 (B) Section 198(d)(2) of such Code is
13 amended by striking “of such Act” and all that
14 follows and inserting “of the Comprehensive
15 Environmental Response, Compensation, and
16 Liability Act of 1980 by reason of subpara-
17 graph (A) or (C) of subsection (a)(3) thereof.”.

18 (C) The heading for section 198(d) of such
19 Code is amended by inserting “OR TOXIC” after
20 “HAZARDOUS”.

21 (c) ELIMINATION OF RECAPTURE ON SALE.—Section
22 198 of the Internal Revenue Code of 1986 is amended by
23 striking subsection (e) and by redesignating subsections
24 (f) and (g) as subsections (e) and (f), respectively.

1 (d) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to expenditures paid or incurred
3 after the date of the enactment of this Act in taxable years
4 ending after such date.

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