

109<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# S. 1156

To amend the Internal Revenue Code of 1986 to extend the credit period for electricity produced from renewable resources at certain facilities, to extend the credit for electricity produced from certain renewable resources, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

MAY 26, 2005

Mr. HATCH introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To amend the Internal Revenue Code of 1986 to extend the credit period for electricity produced from renewable resources at certain facilities, to extend the credit for electricity produced from certain renewable resources, and for other purposes.

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. EXTENSION AND MODIFICATION OF CREDIT**

4 **FOR PRODUCING ELECTRICITY FROM RE-**  
5 **NEWABLE RESOURCES.**

6 (a) EXTENSION OF CREDIT PERIOD FOR ELEC-  
7 TRICITY PRODUCED AT CERTAIN FACILITIES.—Subpara-

1 graph (B) of section 45(b)(4) of the Internal Revenue  
2 Code of 1986 is amended to read as follows:

3           “(B) CREDIT PERIOD.—In the case of any  
4           facility described in subsection (d)(3)(A)(ii)  
5           placed in service before October 22, 2004, the  
6           5-year period beginning on October 22, 2004,  
7           shall be substituted for the 10-year period in  
8           subsection (a)(2)(A)(ii).”.

9           (b) EXTENSION OF CREDIT.—Subsection (d) of sec-  
10          tion 45 of the Internal Revenue Code of 1986 (relating  
11          to qualified facilities) is amended by striking “January 1,  
12          2006” each place it appears and inserting “January 1,  
13          2008”.

14          (c) BINDING CONTRACTS FOR FACILITIES.—Sub-  
15          section (d) of section 45 of the Internal Revenue Code of  
16          1986 is amended by adding at the end the following:

17          “For purposes of this subsection, a facility shall be treated  
18          as placed in service before January 1, 2008, if such facility  
19          is placed in service before January 1, 2011, pursuant to  
20          a written binding contract in effect on December 31,  
21          2007, and at all times thereafter before such facility is  
22          placed in service.”.

23          (d) EFFECTIVE DATE.—

24                  (1) IN GENERAL.—Except as provided in para-  
25          graph (2), the amendments made by this section

1 shall apply to electricity produced and sold after the  
2 date of the enactment of this Act, in taxable years  
3 ending after such date.

4 (2) SUBSECTION (a).—The amendment made  
5 by subsection (a) shall apply to electricity produced  
6 and sold after December 31, 2004, in taxable years  
7 ending after such date.

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