

110TH CONGRESS
2D SESSION

H. R. 5986

To amend the Internal Revenue Code of 1986 to immediately terminate the excise tax on diesel fuel and the tax credits for ethanol and other alcohol fuels.

IN THE HOUSE OF REPRESENTATIVES

MAY 7, 2008

Mr. BURGESS 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 immediately terminate the excise tax on diesel fuel and the tax credits for ethanol and other alcohol fuels.

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 “Diesel Fuel Tax Relief
5 Act of 2008”.

6 **SEC. 2. IMMEDIATE TERMINATION OF EXCISE TAX ON DIE-**
7 **SEL FUEL.**

8 (a) IN GENERAL.—Subsection (a) of section 4083 of
9 the Internal Revenue Code of 1986 (relating to taxable

1 fuel) is amended by striking subparagraph (B) and insert-
2 ing “and” at the end of subparagraph (A).

3 (b) EXEMPTION FROM SPECIAL FUELS TAX.—Sec-
4 tion 4041 of such Code is amended by adding at the end
5 the following new subsection:

6 “(n) EXEMPTION FOR DIESEL FUEL.—No tax shall
7 be imposed under this section on any diesel fuel (as de-
8 fined in section 4083(a)).”.

9 (c) CONFORMING AMENDMENTS.—

10 (1) Section 4041 of such Code is amended—

11 (A) by striking paragraph (1) of subsection
12 (a),

13 (B) by striking all that follows “section
14 6421(e)(2)” in subsection (b)(1)(C) and insert-
15 ing a period,

16 (C) by striking paragraph (3) of subsection
17 (d), and

18 (D) by striking “DIESEL FUEL AND SPE-
19 CIAL” in the heading of subsection (a) and in-
20 serting “SPECIAL”.

21 (2) Section 4081 of such Code is amended—

22 (A) by striking “diesel fuel or” in sub-
23 section (a)(2)(a)(iii),

24 (B) by striking subparagraph (D) in sub-
25 section (a)(2), and

1 (C) by striking subsection (c).

2 (3) Section 4082 of such Code is amended—

3 (A) by striking “diesel fuel and” each
4 place it appears in the heading and text thereof,
5 and

6 (B) by striking “, diesel fuel,” in sub-
7 section (d)(1)(A) thereof.

8 (4) Section 6427 of such Code is amended—

9 (A) by striking “DIESEL” in the heading of
10 subsection (b)(4),

11 (B) by striking “, diesel fuel,” each place
12 it appears in the heading and text of subsection
13 (f),

14 (C) by striking paragraph (2) of subsection
15 (h),

16 (D) in subsection (l)—

17 (i) by striking “DIESEL FUEL AND”
18 in the heading thereof,

19 (ii) by striking “diesel fuel or” in
20 paragraph (1),

21 (iii) by striking paragraph (3), and

22 (iv) by striking “diesel fuel or” each
23 place it appears in the heading and text of
24 paragraph (5), and

25 (E) by striking subsection (m).

1 (5) Section 6715(c)(1) of such Code is amended
2 by striking “diesel fuel or”.

3 (6) Section 7012(3) of such Code is amended
4 by striking “and diesel fuel”.

5 (7) Section 9503(b)(1) of such Code is amend-
6 ed—

7 (A) by striking “diesel fuels and” in sub-
8 paragraph (A), and

9 (B) by striking “, diesel fuel,” in subpara-
10 graph (D).

11 (8) Section 9508(b) of such Code is amended—

12 (A) by striking “, diesel fuel,” in para-
13 graph (2), and

14 (B) by striking the flush sentence at the
15 end.

16 (d) EFFECTIVE DATE.—The amendments made by
17 this section shall apply to liquids removed, entered, or sold
18 after the date of the enactment of this Act.

19 (e) TRUST FUNDS HELD HARMLESS.—The Sec-
20 retary of the Treasury shall periodically transfer from the
21 general fund of the Treasury to each of the trust funds
22 established under chapter 98 of the Internal Revenue Code
23 of 1986 amounts equal to the reduction in the appropria-
24 tions or transfers to such trust fund which result by rea-
25 son of the amendments made by this Act.

1 **SEC. 3. IMMEDIATE TERMINATION OF EXCISE AND INCOME**
2 **TAX CREDITS FOR ETHANOL AND OTHER AL-**
3 **COHOL FUELS.**

4 (a) **TERMINATION OF EXCISE TAX CREDIT.**—Sec-
5 tions 6426(b)(5) and 6427(e)(5)(A) of the Internal Rev-
6 enue Code of 1986 are each amended by striking “Decem-
7 ber 31, 2010” and inserting “the date of the enactment
8 of the Diesel Fuel Tax Relief Act of 2008”.

9 (b) **TERMINATION OF INCOME TAX CREDIT.**—Para-
10 graph (1) of section 40(e) of the Internal Revenue Code
11 of 1986 is amended by striking “any sale or use—” and
12 all that follows and inserting “any sale or use for any pe-
13 riod after the date of the enactment of the Diesel Fuel
14 Tax Relief Act of 2008”.

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