

110TH CONGRESS
2D SESSION

H. R. 6131

To provide incentives for the production and use of unconventional aviation fuels.

IN THE HOUSE OF REPRESENTATIVES

MAY 22, 2008

Mr. SULLIVAN (for himself, Mr. BARTON of Texas, Mr. HALL of Texas, Mr. UPTON, Mr. DEAL of Georgia, Mr. WHITFIELD of Kentucky, Mr. SHIMKUS, Mr. SHADEGG, Mr. PICKERING, Mr. BLUNT, Mr. BUYER, Mr. RADANOVICH, Mrs. BONO MACK, Mr. WALDEN of Oregon, Mr. TERRY, Mr. ROGERS of Michigan, Mrs. MYRICK, Mr. BURGESS, Mrs. BLACKBURN, Mr. GALLEGLY, Mr. PEARCE, Mr. MCCAUL of Texas, Mr. KUHLMAN of New York, and Mr. ISSA) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Armed Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To provide incentives for the production and use of unconventional aviation 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. EXCISE TAX CREDIT FOR UNCONVENTIONAL**
4 **AVIATION FUEL MIXTURES.**

5 (a) IN GENERAL.—Section 6426 of the Internal Rev-
6 enue Code of 1986 is amended by redesignating sub-

1 sections (f), (g), and (h) as subsections (g), (h), and (i),
2 respectively, and by inserting after subsection (e) the fol-
3 lowing new subsection:

4 “(f) UNCONVENTIONAL AVIATION FUEL MIXTURE
5 CREDIT.—

6 “(1) IN GENERAL.—For purposes of this sec-
7 tion, the unconventional aviation fuel mixture credit
8 is the product of 50 cents and the number of gallons
9 of unconventional aviation fuel used by the taxpayer
10 in producing any unconventional aviation fuel mix-
11 ture for sale or use in a trade or business of the tax-
12 payer.

13 “(2) UNCONVENTIONAL AVIATION FUEL MIX-
14 TURE.—For purposes of this subsection, the term
15 ‘unconventional aviation fuel mixture’ means an
16 aviation-grade fuel consisting of a mixture of uncon-
17 ventional fuel and aviation-grade kerosene which—

18 “(A) is sold by the taxpayer producing
19 such mixture to any person for use as an avia-
20 tion fuel, or

21 “(B) is used as an aviation fuel by the tax-
22 payer producing such mixture.

23 “(3) UNCONVENTIONAL FUEL.—For purposes
24 of this subsection, the term ‘unconventional fuel’

1 means any liquid fuel derived from coal and any oil
2 produced from shale.

3 “(4) DENIAL OF DOUBLE BENEFIT.—No credit
4 shall be determined under subsection (b), (c), or (e)
5 with respect to any unconventional aviation fuel mix-
6 ture.

7 “(5) TERMINATION.—This subsection shall not
8 apply to any sale or use for any period after Decem-
9 ber 31, 2016.”.

10 (b) CONFORMING AMENDMENT.—Paragraph (1) of
11 section 6426(a) of such Code is amended by striking “and
12 (e)” and inserting “(e), and (f)”.

13 (c) EFFECTIVE DATE.—The amendments made by
14 this subsection shall apply to any sale or use after the
15 date of the enactment of this Act.

16 **SEC. 2. LONG-TERM PROCUREMENT OF COAL-TO-LIQUID**
17 **FUEL BY DEPARTMENT OF DEFENSE.**

18 Section 2922d of title 10, United States Code, is
19 amended—

20 (1) in subsection (b), by inserting after “cov-
21 ered fuel” the following: “or any liquid fuel derived
22 from coal”; and

23 (2) in subsection (d)—

1 (A) by inserting after “covered fuel” the
2 following: “or any liquid fuel derived from
3 coal”; and

4 (B) by striking “1 or more years” and in-
5 sserting “up to 25 years”.

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