

110TH CONGRESS
2D SESSION

H. R. 6716

To amend the Internal Revenue Code of 1986 to reduce the recovery periods for certain energy production and distribution facilities.

IN THE HOUSE OF REPRESENTATIVES

JULY 31, 2008

Mrs. BACHMANN (for herself, Mr. BARTLETT of Maryland, Mr. PITTS, Mr. PENCE, Mrs. SCHMIDT, Mr. MANZULLO, Mr. PAUL, and Mr. ISSA) 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 reduce the recovery periods for certain energy production and distribution facilities.

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 “Promoting New Amer-
5 ican Energy Act of 2008”.

1 **SEC. 2. 3-YEAR RECOVERY PERIOD FOR CERTAIN ENERGY**
2 **PRODUCTION AND DISTRIBUTION FACILI-**
3 **TIES.**

4 (a) IN GENERAL.—Subparagraph (A) of section
5 168(e)(3) of the Internal Revenue Code of 1986 (defining
6 3-year property) is amended by striking “and” at the end
7 of clause (ii), by striking the period at the end of clause
8 (iii), and by adding at the end the following new clauses:

9 “(iv) any industrial steam and electric
10 generation and/or distribution system de-
11 scribed in Asset Class 00.4 of Revenue
12 Procedure 87–56,

13 “(v) any electric utility nuclear pro-
14 duction plant described in Asset Class
15 49.12 of such Procedure,

16 “(vi) any electric utility steam produc-
17 tion plant which is fueled by coal and de-
18 scribed in Asset Class 49.13 of such Proce-
19 dure,

20 “(vii) any electric utility transmission
21 and distribution plant described in Asset
22 Class 49.14 of such Procedure, and

23 “(viii) any electric utility combustion
24 turbine production plant which is fueled by
25 natural gas and described in Asset Class
26 49.15 of such Procedure,

1 “(ix) pollution control equipment that
 2 modifies the outputs (such as thermal dis-
 3 charge control) rather than modifying in-
 4 puts, and

5 “(x) any property which is described
 6 in subparagraph (A) of section 48(a)(3)
 7 (or would be so described if ‘solar, wind, or
 8 geothermal energy’ were substituted for
 9 ‘solar energy’ in clause (i) thereof and the
 10 last sentence of such section did not apply
 11 to such subparagraph.

12 Nothing in any provision of law shall be con-
 13 strued to treat property as not being described
 14 in clause (x) (or the corresponding provisions of
 15 prior law) by reason of being public utility
 16 property (within the meaning of section
 17 48(a)(3)).”.

18 (b) ALTERNATIVE DEPRECIATION SYSTEM.—The
 19 table contained in subparagraph (B) of section 168(g)(2)
 20 of such Code is amended by inserting below the item relat-
 21 ing to subparagraph (A)(iii) the following new items:

“(A)(iv)	15
(A)(v)	15
(A)(vi)	20
(A)(vii)	15
(A)(viii)	15”.

1 (c) CONFORMING AMENDMENT.—Subparagraph (B)
2 of section 168(e)(3) of such Code is amended—

3 (1) by striking subclause (I) of clause (vi),

4 (2) by redesignating subclauses (II) and (III) of
5 clause (vi) as subclauses (I) and (II), respectively,
6 and

7 (3) by striking the last sentence.

8 (d) EFFECTIVE DATE.—

9 (1) IN GENERAL.—The amendments made by
10 this section shall apply to property placed in service
11 after the date of the enactment of this Act.

12 (2) EXCEPTION.—The amendments made by
13 this section shall not apply to any property with re-
14 spect to which the taxpayer or a related party has
15 entered into a binding contract for the construction
16 thereof on or before such date, or, in the case of
17 self-constructed property, has started construction
18 on or before such date.

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