

110TH CONGRESS
2D SESSION

H. R. 6914

To amend the Internal Revenue Code of 1986 to extend certain renewable energy provisions for 10 years, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 16, 2008

Mr. HOLT 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 extend certain renewable energy provisions for 10 years, 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. SHORT TITLE.**

4 This Act may be cited as the “Renewable Energy Tax
5 Extenders Act”.

6 **SEC. 2. RENEWABLE ENERGY CREDIT.**

7 (a) 10-YEAR EXTENSION.—Each of the following
8 provisions of section 45(d) of the Internal Revenue Code
9 of 1986 is amended by striking “January 1, 2009” and
10 inserting “January 1, 2019”:

- 1 (1) Paragraph (1).
- 2 (2) Clauses (i) and (ii) of paragraph (2)(A).
- 3 (3) Clauses (i)(I) and (ii) of paragraph (3)(A).
- 4 (4) Paragraph (4).
- 5 (5) Paragraph (5).
- 6 (6) Paragraph (6).
- 7 (7) Paragraph (7).
- 8 (8) Subparagraphs (A) and (B) of paragraph
- 9 (9).

10 (b) EXPANSION OF BIOMASS FACILITIES.—

11 (1) OPEN-LOOP BIOMASS FACILITIES.—Para-

12 graph (3) of section 45(d) of the Internal Revenue

13 Code of 1986 is amended by redesignating subpara-

14 graph (B) as subparagraph (C) and by inserting

15 after subparagraph (A) the following new subpara-

16 graph:

17 “(B) EXPANSION OF FACILITY.—Such

18 term shall include a new unit placed in service

19 after the date of the enactment of this subpara-

20 graph in connection with a facility described in

21 subparagraph (A), but only to the extent of the

22 increased amount of electricity produced at the

23 facility by reason of such new unit.”.

24 (2) CLOSED-LOOP BIOMASS FACILITIES.—Para-

25 graph (2) of section 45(d) of such Code is amended

1 by redesignating subparagraph (B) as subparagraph
2 (C) and inserting after subparagraph (A) the fol-
3 lowing new subparagraph:

4 “(B) EXPANSION OF FACILITY.—Such
5 term shall include a new unit placed in service
6 after the date of the enactment of this subpara-
7 graph in connection with a facility described in
8 subparagraph (A)(i), but only to the extent of
9 the increased amount of electricity produced at
10 the facility by reason of such new unit.”.

11 (c) MODIFICATION OF RULES FOR HYDROPOWER
12 PRODUCTION.—Subparagraph (C) of section 45(c)(8) of
13 such Code is amended to read as follows:

14 “(C) NONHYDROELECTRIC DAM.—For pur-
15 poses of subparagraph (A), a facility is de-
16 scribed in this subparagraph if—

17 “(i) the hydroelectric project installed
18 on the nonhydroelectric dam is licensed by
19 the Federal Energy Regulatory Commis-
20 sion and meets all other applicable environ-
21 mental, licensing, and regulatory require-
22 ments,

23 “(ii) the nonhydroelectric dam was
24 placed in service before the date of the en-
25 actment of this paragraph and operated

1 for flood control, navigation, or water sup-
2 ply purposes and did not produce hydro-
3 electric power on the date of the enactment
4 of this paragraph, and

5 “(iii) the hydroelectric project is oper-
6 ated so that the water surface elevation at
7 any given location and time that would
8 have occurred in the absence of the hydro-
9 electric project is maintained, subject to
10 any license requirements imposed under
11 applicable law that change the water sur-
12 face elevation for the purpose of improving
13 environmental quality of the affected wa-
14 terway.

15 The Secretary, in consultation with the Federal
16 Energy Regulatory Commission, shall certify if
17 a hydroelectric project licensed at a nonhydro-
18 electric dam meets the criteria in clause (iii).
19 Nothing in this section shall affect the stand-
20 ards under which the Federal Energy Regu-
21 latory Commission issues licenses for and regu-
22 lates hydropower projects under part I of the
23 Federal Power Act.”.

24 (d) EFFECTIVE DATE.—

1 (1) **EXTENSION.**—Except as otherwise provided
2 in this subsection, the amendments made by this
3 section shall apply to property originally placed in
4 service after December 31, 2008.

5 (2) **EXPANSION OF BIOMASS FACILITIES.**—The
6 amendments made by subsection (d) shall apply to
7 property placed in service after the date of the en-
8 actment of this Act.

9 **SEC. 3. PRODUCTION CREDIT FOR ELECTRICITY PRO-**
10 **DUCTION FROM MARINE RENEWABLES.**

11 (a) **IN GENERAL.**—Paragraph (1) of section 45(c) of
12 the Internal Revenue Code of 1986 is amended by striking
13 “and” at the end of subparagraph (G), by striking the
14 period at the end of subparagraph (H) and inserting
15 “, and”, and by adding at the end the following new sub-
16 paragraph:

17 “(I) marine and hydrokinetic renewable en-
18 ergy.”.

19 (b) **MARINE RENEWABLES.**—Subsection (c) of sec-
20 tion 45 of such Code is amended by adding at the end
21 the following new paragraph:

22 “(10) **MARINE AND HYDROKINETIC RENEW-**
23 **ABLE ENERGY.**—

1 “(A) IN GENERAL.—The term ‘marine and
2 hydrokinetic renewable energy’ means energy
3 derived from—

4 “(i) waves, tides, and currents in
5 oceans, estuaries, and tidal areas,

6 “(ii) free flowing water in rivers,
7 lakes, and streams,

8 “(iii) free flowing water in an irriga-
9 tion system, canal, or other man-made
10 channel, including projects that utilize non-
11 mechanical structures to accelerate the
12 flow of water for electric power production
13 purposes, or

14 “(iv) differentials in ocean tempera-
15 ture (ocean thermal energy conversion).

16 “(B) EXCEPTIONS.—Such term shall not
17 include any energy which is derived from any
18 source which utilizes a dam, diversionary struc-
19 ture (except as provided in subparagraph
20 (A)(iii)), or impoundment for electric power
21 production purposes.”.

22 (c) DEFINITION OF FACILITY.—Subsection (d) of
23 section 45 of such Code is amended by adding at the end
24 the following new paragraph:

1 “(11) MARINE AND HYDROKINETIC RENEW-
2 ABLE ENERGY FACILITIES.—In the case of a facility
3 producing electricity from marine and hydrokinetic
4 renewable energy, the term ‘qualified facility’ means
5 any facility owned by the taxpayer—

6 “(A) which has a nameplate capacity rat-
7 ing of at least 150 kilowatts, and

8 “(B) which is originally placed in service
9 on or after the date of the enactment of this
10 paragraph and before January 1, 2019.”.

11 (d) CREDIT RATE.—Subparagraph (A) of section
12 45(b)(4) of such Code is amended by striking “or (9)”
13 and inserting “(9), or (11)”.

14 (e) COORDINATION WITH SMALL IRRIGATION
15 POWER.—Paragraph (5) of section 45(d) of such Code,
16 as amended by section 1, is amended by striking “January
17 1, 2019” and inserting “the date of the enactment of
18 paragraph (11)”.

19 (f) EFFECTIVE DATE.—The amendments made by
20 this section shall apply to electricity produced and sold
21 after the date of the enactment of this Act, in taxable
22 years ending after such date.

23 **SEC. 4. ENERGY CREDIT.**

24 (a) EXTENSION OF CREDIT.—

1 (1) SOLAR ENERGY PROPERTY.—Paragraphs
2 (2)(A)(i)(II) and (3)(A)(ii) of section 48(a) of the
3 Internal Revenue Code of 1986 are each amended by
4 striking “January 1, 2009” and inserting “January
5 1, 2019”.

6 (2) FUEL CELL PROPERTY.—Subparagraph (E)
7 of section 48(c)(1) of such Code is amended by
8 striking “December 31, 2008” and inserting “De-
9 cember 31, 2018”.

10 (3) MICROTURBINE PROPERTY.—Subparagraph
11 (E) of section 48(c)(2) of such Code is amended by
12 striking “December 31, 2008” and inserting “De-
13 cember 31, 2018”.

14 (b) EFFECTIVE DATE.—The amendments made by
15 this section shall take effect on the date of the enactment
16 of this Act.

17 **SEC. 5. CREDIT FOR RESIDENTIAL ENERGY EFFICIENT**
18 **PROPERTY.**

19 (a) EXTENSION.—Section 25D(g) of the Internal
20 Revenue Code of 1986 is amended by striking “December
21 31, 2008” and inserting “December 31, 2018”.

22 (b) CREDIT FOR GEOTHERMAL HEAT PUMP SYS-
23 TEMS.—

24 (1) IN GENERAL.—Section 25D(a) of such Code
25 is amended by striking “and” at the end of para-

1 graph (2), by striking the period at the end of para-
2 graph (3) and inserting “, and”, and by adding at
3 the end the following new paragraph:

4 “(4) 30 percent of the qualified geothermal
5 heat pump property expenditures made by the tax-
6 payer during such year.”.

7 (2) LIMITATION.—Section 25D(b)(1) of such
8 Code is amended by striking “and” at the end of
9 subparagraph (B), by striking the period at the end
10 of subparagraph (C) and inserting “, and”, and by
11 adding at the end the following new subparagraph:

12 “(D) \$2,000 with respect to any qualified
13 geothermal heat pump property expenditures.”.

14 (3) QUALIFIED GEOTHERMAL HEAT PUMP
15 PROPERTY EXPENDITURE.—Section 25D(d) of such
16 Code is amended by adding at the end the following
17 new paragraph:

18 “(4) QUALIFIED GEOTHERMAL HEAT PUMP
19 PROPERTY EXPENDITURE.—

20 “(A) IN GENERAL.—The term ‘qualified
21 geothermal heat pump property expenditure’
22 means an expenditure for qualified geothermal
23 heat pump property installed on or in connec-
24 tion with a dwelling unit located in the United
25 States and used as a residence by the taxpayer.

1 “(B) QUALIFIED GEOTHERMAL HEAT
2 PUMP PROPERTY.—The term ‘qualified geo-
3 thermal heat pump property’ means any equip-
4 ment which—

5 “(i) uses the ground or ground water
6 as a thermal energy source to heat the
7 dwelling unit referred to in subparagraph
8 (A) or as a thermal energy sink to cool
9 such dwelling unit, and

10 “(ii) meets the requirements of the
11 Energy Star program which are in effect
12 at the time that the expenditure for such
13 equipment is made.”.

14 (4) MAXIMUM EXPENDITURES IN CASE OF
15 JOINT OCCUPANCY.—Section 25D(e)(4)(A) of such
16 Code is amended by striking “and” at the end of
17 clause (ii), by striking the period at the end of
18 clause (iii) and inserting “, and”, and by adding at
19 the end the following new clause:

20 “(iv) \$6,667 in the case of any quali-
21 fied geothermal heat pump property ex-
22 penditures.”.

23 (c) EFFECTIVE DATE.—The amendment made by
24 this section shall apply to property placed in service after
25 December 31, 2008.

1 **SEC. 6. ALTERNATIVE MOTOR VEHICLE CREDIT.**

2 (a) **EXTENSION.**—Subsection (j) of section 30B of
3 the Internal Revenue Code of 1986 (relating to termi-
4 nation of credit) is amended to read as follows:

5 “(j) **TERMINATION.**—This section shall not apply to
6 any property purchased after December 31, 2018.”.

7 (b) **REPEAL OF LIMITATION ON NUMBER OF NEW**
8 **QUALIFIED HYBRID AND ADVANCED LEAN-BURN TECH-**
9 **NOLOGY VEHICLES ELIGIBLE FOR CREDIT.**—Section 30B
10 of such Code is amended by striking subsection (f).

11 (c) **EFFECTIVE DATES.**—

12 (1) **EXTENSION.**—The amendment made by
13 subsection (a) shall take effect on the date of the en-
14 actment of this Act.

15 (2) **REPEAL OF LIMITATION.**—The amendment
16 made by subsection (b) shall apply to vehicles manu-
17 factured after December 31, 2008.

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