

110TH CONGRESS
2D SESSION

S. 2754

To amend the Internal Revenue Code of 1986 to modify the definition
of refined coal.

IN THE SENATE OF THE UNITED STATES

MARCH 13, 2008

Mr. CONRAD (for himself, Mr. BUNNING, Mr. HATCH, and Mr. ROCKE-
FELLER) introduced the following bill; which was read twice and referred
to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to modify
the definition of refined coal.

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. MODIFICATION OF DEFINITION OF REFINED**
4 **COAL.**

5 (a) MODIFICATION.—

6 (1) IN GENERAL.—Subparagraph (A) of section
7 45(c)(7) of the Internal Revenue Code of 1986 is
8 amended by inserting “and” at the end of clause
9 (ii), by striking clauses (iii) and (iv), and by insert-
10 ing after clause (ii) the following new clause:

1 “(iii) meets the requirements of either
2 clause (i) or (ii) of subparagraph (B).”.

3 (2) REQUIREMENTS.—Section 45(c)(7) of such
4 Code is amended by redesignating subparagraph (B)
5 as subparagraph (C) and inserting after subpara-
6 graph (A) the following new subparagraph:

7 “(B) REQUIREMENTS.—

8 “(i) CERTIFICATION OF QUALIFIED
9 EMISSION REDUCTION.—A fuel meets the
10 requirements of this clause if such fuel is
11 certified by the taxpayer as resulting
12 (when used in the production of steam) in
13 a qualified emission reduction.

14 “(ii) REDUCED EMISSION REDUCTION
15 AND MARKET VALUE REQUIREMENTS.—A
16 fuel meets the requirements of this clause
17 if such fuel—

18 “(I) is certified by the taxpayer
19 as resulting (when used in the produc-
20 tion of steam) in a qualified emission
21 reduction (determined by substituting
22 ‘20 percent’ for ‘40 percent’ in sub-
23 paragraph (C)), and

24 “(II) is produced in such a man-
25 ner as to result in an increase of at

1 least 50 percent in the market value
2 of the refined coal (excluding any in-
3 crease caused by materials combined
4 or added during the production proc-
5 ess), as compared to the value of the
6 feedstock coal.”.

7 (3) MODIFICATION OF QUALIFIED EMISSIONS
8 REDUCTION.—Subparagraph (C) of section 45(e)(7)
9 of such Code, as redesignated by paragraph (2), is
10 amended by inserting “at least 40 percent of the
11 emissions of” after “nitrogen oxide and”.

12 (b) EFFECTIVE DATE.—The amendments made by
13 this section shall apply to coal produced and sold after
14 the date of the enactment of the Act.

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