

ESTIMATED REVENUE EFFECTS OF TITLE XV. OF H.R. 6,
 THE "ENERGY POLICY TAX INCENTIVES ACT OF 2005,"
 AS PASSED BY THE SENATE ON JUNE 28, 2005

Fiscal Years 2005 - 2015

[Millions of Dollars]

Provision	Effective	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2005-10	2005-15
I. Electricity Infrastructure														
1. Extend and modify section 45 credit through 12/31/08 (allow pass through of credit to cooperative patrons) [1]	DOE [2]	-1	-24	-111	-305	-496	-576	-610	-621	-625	-628	-633	-1,513	-4,628
2. Clean renewable energy bonds (\$1 billion aggregate issuance limitation through 12/31/08).....	bia 12/31/05	---	-9	-25	-43	-56	-60	-60	-60	-60	-60	-60	-193	-493
3. Treatment of certain income of electric cooperatives	DOE	---	---	-14	-24	-26	-29	-32	-34	-37	-39	-42	-93	-277
4. Dispositions of transmission property to implement FERC restructuring policy (applies to sales or dispositions completed prior to 1/1/08).....	DOE	-37	-105	-237	-73	43	43	44	45	82	150	64	-366	19
5. Credit for production from advanced nuclear power facilities.....	tyba DOE	---	---	---	---	---	---	---	---	-41	-83	-155	---	-278
6. Credit for investment in clean coal facilities.....	DOE	---	-38	-83	-155	-234	-324	-371	-363	-319	-219	-148	-834	-2,254
7. Clean energy coal bonds (\$1 billion aggregate issuance limitation through 12/31/10).....	bia 12/31/05	---	-7	-22	-35	-45	-50	-55	-60	-60	-60	-60	-159	-454
Total of Electricity Infrastructure		-38	-183	-492	-635	-814	-996	-1,084	-1,093	-1,060	-939	-1,034	-3,158	-8,365
II. Domestic Fossil Fuel Security														
1. Credit for investment in clean coke/cogeneration manufacturing facilities (sunset 12/31/09).....	ppisa 12/31/04	-8	-30	-33	-27	-19	-14	-11	-6	-2	[3]	---	-131	-150
2. Temporary expensing for equipment used in the refining of liquid fuels (and allow pass through to cooperative owners) (sunset 12/31/11) [4].....	ppisa DOE	---	-22	-58	-268	-95	-735	-611	355	285	231	191	-1,178	-727
3. Pass through low sulfur diesel expensing to cooperative owners.....	[5]	-42	-3	5	4	4	4	4	4	4	4	4	-28	-7
4. Enhanced oil recovery credit modification for new/expanded CO2 recoveries and deep gas wells (sunset 12/31/09).....	cpoia 12/31/05	---	-42	-85	-126	-204	-186	-180	-163	-145	-143	-143	-644	-1,416
5. Gas distribution property treated as 15-year MACRS property, no AMT conformity (sunset after 2007) [4].....	ppisa DOE	-1	-13	-43	-65	-63	-52	-42	-36	-39	-47	-51	-237	-452
Total of Domestic Fossil Fuel Security		-51	-110	-214	-482	-377	-983	-840	154	103	45	1	-2,218	-2,752
III. Conservation and Energy Efficiency														
1. Allowance of deduction for certain energy efficient commercial building property (sunset 12/31/09).....	ppisa DOE	-37	-138	-175	-203	-211	-62	16	14	12	10	8	-826	-766
2. Business credit for construction of new energy efficient homes (30% credit sunsets 12/31/07; 50% credit sunsets 12/31/09).....	hpa DOE	-23	-104	-181	-126	-80	-63	-49	-40	-30	-10	-3	-576	-706

Provision	Effective	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2005-10	2005-15
3. Incentive for certain energy efficient property used in business (HV/AC et al.) (sunset 12/31/08).....	ppisa DOE	-17	-50	-69	-81	-30	---	---	---	---	---	---	-247	-247
4. Credit for certain nonbusiness energy property (HV/AC et al.) (sunset 12/31/08).....	ppisa 12/31/05	---	-69	-341	-352	-291	---	---	---	---	---	---	-1,053	-1,053
5. Energy credit for combined heat and power system property (sunset 12/31/07).....	[6]	-27	-72	-72	-42	-22	-15	-13	-8	-1	5	5	-249	-261
6. Credit for energy efficient appliances (sunsets 12/31/07 for dishwashers and 12/31/10 for clothes washers and refrigerators) [7].....	apa DOE	-8	-76	-86	-65	-41	-20	-5	---	---	---	---	-295	-300
7. 30% credit for residential purchases/installations of solar (pv and hot water) and fuel cells (sunset 12/31/09).....	ppisa 12/31/05	---	-2	-13	-21	-25	-24	---	---	---	---	---	-85	-85
8. Credit for business installation of qualified fuel cells and stationary microturbine power plants (sunset 12/31/09 for fuel cells and 12/31/08 for microturbines).....	[8]	---	-19	-82	-164	-63	-36	-17	-13	15	12	8	-363	-358
9. Business solar investment tax credit (sunset 12/31/11).....	[9]	---	-4	-7	-9	-10	-11	-13	-9	-7	-6	-5	-41	-81
Total of Conservation and Energy Efficiency		-112	-534	-1,026	-1,063	-773	-231	-81	-56	-11	11	13	-3,735	-3,857
IV. Alternative Motor Vehicles and Fuels Incentives														
1. Alternative motor vehicle credit (sunset 12/31/09 for hybrid vehicles, 12/31/10 for alternative fuel vehicles, and 12/31/14 for fuel cell vehicles).....	ppisa DOE	-3	-428	-362	-395	-420	-19	-11	-10	-13	-17	-8	-1,628	-1,686
2. Modification and extension of credit for electric vehicles (sunset 12/31/09).....	ppisa DOE	-4	-25	-35	-38	-40	-8	7	5	3	1	[10]	-149	-133
3. Credit for installation of alternative fueling stations credit for property placed in service before 1/1/10 (before 1/1/15 for hydrogen property).....	ppisa 12/31/05	---	-5	-14	-20	-29	-22	-10	-7	-2	1	3	-90	-105
4. Credit for retail sale of and imposition of tax on alternative fuels [11]	suora 9/30/06	---	---	-165	-180	-189	30	39	42	44	47	49	-505	-284
5. Extend excise tax provisions and income tax credit for biodiesel (sunset 12/31/10).....	DOE	---	---	-56	-88	-104	-120	-33	---	---	---	---	-368	-402
Total of Alternative Motor Vehicle Fuels Incentives		-7	-458	-632	-721	-782	-139	-8	30	32	32	44	-2,740	-2,610
V. Additional Energy Tax Incentives														
1. 10-year recovery period for underground natural gas storage facility property.....	ppisa DOE	-2	-7	-13	-18	-21	-23	-24	-25	-26	-27	-27	-83	-213
2. R&E tax credit for energy research (sunset 12/31/05).....	epoia DOE	-3	-10	-35	-21	-11	-8	-4	-1	---	---	---	-91	-92
3. Establish small agri-biodiesel producer credit and expand eligibility for small ethanol producer credit.....	tyea DOE	-1	-22	-24	-28	-31	-34	-25	-14	-11	-5	---	-141	-196
4. 15% tax credit for recycling equipment.....	tyba 12/31/05	---	-8	-13	-12	-12	-11	-11	-11	-11	-11	-11	-56	-110
5. 5-year net operating loss carryover if any resulting refund is used for electric transmission equipment.....	[12]	[13]	-206	-142	-161	30	70	115	62	7	5	4	-409	-217
6. 15% credit for qualifying pollution control equipment at ethanol plants.....	ppisa DOE	[3]	-1	-2	-2	-1	[10]	[10]	[10]	[10]	[10]	[10]	-5	-5
7. Credit for production of Indian country coal (\$1.50/\$2.00) (sunset 12/31/12).....	pa 12/31/05	---	-11	-18	-18	-19	-19	-24	-27	-10	---	---	-85	-145

Provision	Effective	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2005-10	2005-15
8. Credit for replacement wood stoves meeting environmental standards in non-attainment areas (sunset 12/31/08).....	DOE	---	-1	-2	-2	-2	---	---	---	---	---	---	-7	-7
9. Exemption for bulk beds used to transport farm crops from excise tax on retail sales of heavy trucks and trailers.....	sa 9/30/05	[3]	[3]	-1	-1	-1	-1	-1	-1	-1	-1	-1	-2	-4
10. National Academy of Sciences study and report.....	DOE	----- No Revenue Effect -----												
11. 3-year applicable recovery period for qualified electric energy management devices (sunset 12/31/07) [14].....	ppisa 12/31/05	-4	-28	-63	-55	-15	12	22	17	10	8	8	-153	-88
12. Provide an exclusion from gross income for employer-provided reimbursement for certain fuels costs of rural carpoolers (sunset 12/31/06).....	eioaa DOE	-1	-100	-21	---	---	---	---	---	---	---	---	-123	-123
13. Exception from State volume cap for private activity bonds financing certain cooling facilities	[15]	[3]	[3]	-1	-1	-2	-2	-2	-2	-2	-2	-2	-7	-18
Total of Additional Energy Tax Incentives		-11	-394	-335	-319	-85	-16	46	-2	-44	-33	-29	-1,162	-1,218
VI. Revenue Raising Provisions														
1. Treatment of kerosene used in aviation.....	[16]	---	48	49	50	50	50	50	50	50	49	49	247	495
2. Repeal of ultimate vendor refund claims with respect to farming.....	sa 9/30/05	---	[10]	[10]	[10]	[10]	[10]	[10]	[10]	[10]	[10]	[10]	[10]	[10]
3. Refunds of excise taxes on exempt sales of fuel by credit card.....	sa 12/31/05	----- Negligible Revenue Effect -----												
4. Additional requirement for exempt purchases.....	sa 12/31/05	---	3	4	4	4	4	4	5	5	5	5	19	43
5. Reregistration in event of change in ownership.....	aofaa DOE	[10]	4	4	4	4	4	4	5	5	5	5	21	45
6. Treatment of deep-draft vessels.....	DOE	[10]	3	2	2	2	2	3	3	3	3	3	12	26
7. Reconciliation of on-loaded cargo to entered cargo.....	DOE	---	[10]	4	4	4	4	4	5	5	5	5	17	41
8. Taxation of gasoline blendstocks and kerosene.....	feora 9/30/05	---	101	106	110	114	117	120	123	126	130	133	548	1,180
9. Nonapplication of export exemption to delivery of fuel to motor vehicles removed from the United States.....	sodma DOE	----- No Revenue Effect -----												
10. Penalty with respect to certain adulterated fuels.....	tsohofsoa DOE	----- Negligible Revenue Effect -----												
11. Oil Spill Liability Trust Fund financing rate (sunset 12/31/14).....	[17]	---	150	254	276	282	285	290	293	298	303	76	1,248	2,508
12. Extend Leaking Underground Storage Tank Trust Fund financing rate (sunset 9/30/11), expand to apply financing rate to all fuels, and repeal LUST refunds.....	freosa 9/30/05	---	33	34	34	35	35	35	35	35	36	36	171	349
13. Tire excise tax modification.....	sa 9/30/05	---	1	1	1	2	2	2	2	2	2	3	7	18
Total of Revenue Raising Provisions		[10]	343	458	485	497	503	512	521	529	538	315	2,290	4,705
NET TOTAL		-219	-1,336	-2,241	-2,735	-2,334	-1,862	-1,455	-446	-451	-346	-690	-10,723	-14,097

Joint Committee on Taxation

NOTE: Details may not add to totals due to rounding. Date of enactment is assumed to be August 1, 2005

[Legend and Footnotes for JCX-51-05 appear on the following page]

Legend and Footnotes for JCX-51-05:

Legend for "Effective" column:

apa = appliances produced after
aoftaa = actions, or failures to act, after
bia = bonds issued after
cpoia = costs paid or incurred after
DOE = date of enactment
eioaa = expenses incurred on and after
epoia = expenses paid or incurred after

feora = fuel entered or removed after
freosa = fuel removed, entered or sold after
hpa = homes purchased after
pa = production after
ppisa = property placed in service after
sa = sales after

sodma = sales or deliveries made after
suora = sale use or removal after
tsohofsoa = transfer, sale, or holding out for sale
occurring after
tyba = taxable years beginning after
tyea = taxable years ending after

- [1] Estimates include interaction effect with the clean renewable energy bond provision (item I.2.).
- [2] In the case of electricity produced from a fuel cell facility, the provision is effective for sales of electricity from property placed in service after December 31, 2005.
- [3] Loss of less than \$500,000.
- [4] Excluding assets subject to binding contracts entered into on or before June 14, 2005 and restricted to original-use property.
- [5] Effective as if included in the American Jobs Creation Act of 2004.
- [6] Effective for periods after the date of enactment in taxable years ending after the date of enactment for property placed in service before January 1, 2008.
- [7] Estimate is based upon proposed Energy Star standards for 2007 and indeterminate Energy Star standards for 2010.
- [8] Effective for periods after December 31, 2005, and before January 1, 2010 (January 1, 2009, for microturbines) for property placed in service in taxable years ending after December 31, 2005.
- [9] Effective for periods after December 31, 2005, and before January 1, 2012, for property placed in service in taxable years ending after December 31, 2005.
- [10] Gain of less than \$500,000.
- [11] The credit generally expires September 30, 2009. However, for hydrogen, the credit expires after December 31, 2014.
- [12] Effective for net operating losses generated in tax years ending in 2003, 2004, and 2005.
- [13] Negligible revenue effect.
- [14] Excluding assets subject to binding contracts entered into on or before June 23, 2005, and restricted to original-use property.
- [15] Effective for projects placed in service after the date of enactment and before July 1, 2008.
- [16] Effective for fuels or liquids removed, entered into the United States, or sold after September 30, 2005.
- [17] The tax applies on April 1, 2006, or if later, the date which is 30 days after the last day of any calendar quarter for which the Secretary estimates that, as of the close of that quarter, the unobligated balance in the Oil Spill Liability Trust fund is less than \$2 billion.