

ESTIMATED REVENUE EFFECTS OF
 THE "ENERGY TAX INCENTIVES ACT OF 2003,"
 SCHEDULED FOR MARKUP BY THE COMMITTEE ON FINANCE ON APRIL 2, 2003

Fiscal Years 2003 - 2013

[Millions of Dollars]

Provision	Effective	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2003-08	2003-13
Extension and Modification of Renewable Electricity Production Tax Credit - Extend (property placed in service before 1/1/07 (1/1/05 in the case of open-loop)) and modify the section 45 credit for producing renewable electricity from certain sources (credit is equal to 1.5 cents per kilowatt hour for production from post-enactment facilities after 12/31/03)														
	esqfa DOE	-21	-113	-188	-221	-248	-265	-270	-265	-252	-239	-231	-1,055	-2,312
Alternative Motor Vehicles and Fuel Incentives														
1. Credits for purchase of alternative motor vehicles, modifications to credit for electric vehicles, and extension of deduction for alternative motor vehicles (deduction for property placed in service before 1/1/08 (1/1/12 in the case of hydrogen fuel); credit for alternative and electric vehicles purchased before 1/1/07 (1/1/12 in the case of hydrogen))														
	ppisa DOE	-24	-137	-305	-468	-452	-187	-28	-32	-43	-35	-25	-1,573	-1,736
2. Credit for installation of alternative fueling stations credit for property placed in service before 1/1/08 (1/1/12 in the case of hydrogen).....														
	ppisa DOE	[1]	-2	-2	-2	-2	-2	-1	[2]	[2]	[2]	[2]	-10	-9
3. Credit for retail sale of alternative fuels (20 cents/gallon in 2003, 30 cents in 2004, 40 cents in 2005 and 2006)														
	DOE	-3	-70	-121	-153	-64	-1	-1	-1	-1	---	---	-411	-416
4. Modifications to small producer ethanol credit														
	tyba DOE	[1]	-16	-34	-34	-34	-18	[1]	[1]	[1]	[1]	---	-136	-137
5. Tax incentives for biodiesel (sunset 12/31/05) [3]														
	DOE	-1	-19	-29	-9	---	---	---	---	---	---	---	-58	-58
Total of Alternative Motor Vehicles and Fuel Incentives		-28	-244	-491	-666	-552	-208	-30	-33	-44	-35	-25	-2,188	-2,356
Conservation and Energy Efficiency Provisions														
1. Business credit for construction of new energy efficient homes														
	ppb DOE & 12/31/07	-18	-78	-112	-101	-108	-68	-21	-4	---	---	---	-485	-510
2. Credit for energy efficient appliances														
	apb DOE & 12/31/07	-6	-52	-82	-68	-46	-23	-8	-2	[1]	---	---	-277	-288
3. Credit for residential fuel cell, solar, and other energy efficient property														
	ppb 1/1/04 & 12/31/07	---	-140	-89	-86	-75	-57	---	---	---	---	---	-447	-447
4. Business tax incentives for qualifying fuel cells														
	ppisb DOE & 12/31/07	[1]	-2	-3	-3	-3	-2	-1	[1]	[2]	[2]	[2]	-10	-9
5. Allowance of deduction for certain energy efficient commercial building property														
	1/1/04 for pcpt 1/1/08 & ccb 1/1/10	---	-69	-99	-91	-91	-93	-94	-33	---	---	---	-443	-571

Provision	Effective	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2003-08	2003-13
6. Three-year applicable recovery period for qualified energy management devices (excluding ancillary equipment):														
a. Electric devices (sunset for property placed in service after 12/31/07)	ppisa DOE	-3	-12	-24	-43	-70	-59	-12	17	27	22	14	-212	-144
b. Water submetering devices (sunset for property placed in service after 12/31/07)	ppisa DOE	-1	-5	-13	-22	-31	-23	[2]	12	15	11	5	-95	-52
7. Energy credit for combined heat and power system property	ppisa DOE & ppisb 1/1/07	-23	-80	-56	-22	-5	4	7	10	10	9	9	-181	-134
8. Credit for energy efficiency improvements to existing homes	tyba DOE & tybb 1/1/07	---	-55	-78	-78	-63	---	---	---	---	---	---	-274	-274
Total of Conservation and Energy Efficiency Provisions		-51	-493	-556	-514	-492	-321	-129	0	52	42	28	-2,424	-2,429
Clean Coal Incentives - Investment and Production														
Credits for Clean Coal Technology														
1. Credit for production from qualifying clean coal technology units	pa DOE	-1	-32	-58	-70	-80	-87	-90	-92	-94	-97	-97	-328	-799
2. Credit for investment in qualifying advanced clean coal technology (for property placed in service after the date of enactment and before 1/1/17 (1/1/13 in the case of advanced pulverized coal or atmospheric fluidized bed)	ppisa DOE	---	-17	-40	-42	-35	-23	-98	-84	-35	-24	-16	-158	-416
3. Credit for production of electricity from qualifying advanced clean coal technology units	pa DOE	[1]	-3	-15	-31	-47	-60	-83	-115	-134	-142	-148	-157	-780
Total of Clean Coal Incentives - Investment and Production Credit for Clean Coal Technology		-1	-52	-113	-143	-162	-170	-271	-291	-263	-263	-261	-643	-1,995
Oil and Gas Provisions														
1. Credit for marginal domestic oil and natural gas well production	DOE	----- No Revenue Effect -----												
2. Natural gas gathering pipelines treated as 7-year property	ppisa DOE	-2	-7	-12	-15	-17	-45	-52	-60	-68	-76	-86	-98	-442
3. Expensing of capital costs incurred and credit for production in complying with Environmental Protection Agency sulfur regulations for small refiners	epoia 1/1/03	---	---	-3	-3	-11	-23	-37	-16	[1]	1	2	-39	-89
4. Determination of small refiner exception to oil depletion deduction - modify definition of independent refiner from daily maximum run less than 50,000 barrels to average daily run less than 60,000 barrels	tyea DOE	-2	-7	-7	-8	-8	-8	-8	-8	-9	-9	-9	-39	-83
5. Extension of suspension of 100% of taxable income limit with respect to marginal production (through 12/31/06)	DOE	---	-22	-35	-36	-13	---	---	---	---	---	---	-106	-106
6. Amortize all geological and geophysical ("G&G") expenditures over 4 years.....	cpoi tyba DOE	50	99	-41	-185	-237	-220	-186	-150	-139	-143	-148	-534	-1,300
7. Amortize all delay rental payments over 2 years	apoi tyba DOE	31	13	-62	-66	-39	-11	-1	-1	-1	-1	-1	-135	-138

Provision	Effective	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2003-08	2003-13
8. Extension and modification of section 29 credit for facilities placed in service after the date of enactment and before 1/1/07, including viscous oil, coalmine gas, agricultural and animal waste, and refined coal; extension and modification of section 29 credit for certain coal gasification and coke production through 12/31/05; study of coal bed methane; for new facilities described in section 29 (c)(1)(A) & (B), credit rate is equal to \$2.00 BOE; and 200,000 cubic feet per day limit [4]	DOE	-37	-138	-276	-406	-464	-360	-172	-38	[1]	---	---	-1,683	-1,898
9. Natural gas distribution lines treated as 15-year property	ppisa DOE	-5	-23	-50	-71	-100	-127	-152	-179	-209	-238	-252	-375	-1,406
Total of Oil and Gas Provisions		35	-85	-486	-790	-889	-794	-608	-452	-426	-466	-494	-3,009	-5,462
Electric Utility Restructuring Provisions														
1. Modification to special rules for nuclear decommissioning costs - transfer of non-qualified funds (buyer get deduction over life of plant); eliminate cost of service requirement; and clarify treatment of fund transfers.....	tyba DOE	-21	-66	-69	-76	-85	-94	-103	-113	-125	-137	-151	-411	-1,040
2. Treatment of certain income of electric cooperatives	tyba DOE	-1	-12	-19	-21	-23	-25	-27	-29	-32	-35	-37	-101	-262
3. Sales or dispositions to implement Federal Energy Regulatory Commission or State electric restructuring policy prior to 1/1/08	ta DOE	-413	-989	-1054	-1271	-816	477	1013	1034	976	798	579	-4,067	334
Total of Electric Utility Restructuring Provisions		-435	-1,067	-1,142	-1,368	-924	358	883	892	819	626	391	-4,579	-968
Additional Provisions														
1. Extension of accelerated depreciation and wage credit benefits for businesses on Indian reservations (through 12/31/05)	DOE	---	4	-176	-303	-109	21	75	118	97	52	6	-564	-216
2. Study of effectiveness of certain provisions by GAO	DOE	----- No Revenue Effect -----												
Total of Additional Provisions		---	4	-176	-303	-109	21	75	118	97	52	6	-564	-216
NET TOTAL		-501	-2,050	-3,152	-4,005	-3,376	-1,379	-350	-31	-17	-283	-586	-14,462	-15,738

Joint Committee on Taxation

NOTE: Details may not add to totals due to rounding. Date of enactment is assumed to be July 1, 2003.

Legend for "Effective" column:

apoi = amounts paid or incurred in
 apb = appliances produced between
 ccb = construction completed before
 cpoi = costs paid or incurred in
 DOE = date of enactment

epoia = expenses paid or incurred after
 esfqa = electricity sold from qualifying facilities after
 pa = production after
 pcpt = plans certified prior to
 ppb = property purchased between

ppisa = property placed in service after
 ppisb = property placed in service between
 ta = transactions after
 tyba = taxable years beginning after
 tybb = taxable years beginning before

[1] Loss of less than \$500,000.

[2] Gain of less than \$500,000.

[3] This provision may also have indirect effects on Federal outlays for certain farm programs. Outlay effects will be estimated by the Congressional Budget Office.

[4] Qualified facilities would be given credit for three years of production (five years in the case of refined coal).