

**ESTIMATED REVENUE EFFECTS OF A CHAIRMAN'S AMENDMENT IN THE NATURE OF A SUBSTITUTE TO
THE "ENERGY TAX POLICY ACT OF 2001"
SCHEDULED FOR MARKUP BY THE COMMITTEE ON WAYS AND MEANS ON JULY 18, 2001**

Fiscal Years 2002 - 2011

[Millions of Dollars]

Provision	Effective	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2002-06	2002-11
Conservation Provisions													
A. 15% Credit for Residential Solar Hot Water (through 12/31/06) and Photovoltaics (through 12/31/08)	tyba 12/31/01	-2	-9	-11	-14	-19	-23	-23	-22	---	---	-56	-125
B. Extend (facilities placed in service through 12/31/06) and Modify the Section 45 Credit for Producing Electricity From Certain Sources	esqfa DOE	-77	-164	-224	-282	-337	-303	-259	-246	-236	-229	-1,085	-2,358
C. Tax Incentives for Fuel Cells:													
1. Credit for non-business installation of qualifying fuel cells (through 12/31/06)	epoia 12/31/01	-2	-15	-32	-58	-87	-81	---	---	---	---	-195	-277
2. Credit for business installation of qualifying fuel cells (through 12/31/06)	epoia 12/31/01	-2	-7	-16	-30	-47	-33	-17	-11	-6	-1	-102	-170
D. Modifications and Extension of Provisions Relating to Electric Vehicles, Clean-Fuel Vehicles, and Clean-Fuel Vehicles Refueling Property:													
1. Alternative motor vehicle credit (fuel cells before 1/1/12; others before 1/1/08)	[1]	-35	-183	-244	-375	-419	-432	-343	-77	-10	10	-1,257	-2,109
2. Extension of deduction for certain refueling property (placed in service before 1/1/08)	DOE	---	---	---	-5	-8	-7	-1	2	2	2	-13	-15
3. Modification of credit for qualified electric vehicles (purchased before 1/1/08)	[1]	-12	-21	-36	-55	-73	-89	-23	11	7	5	-197	-286
E. Tax Credit for Energy Efficient Appliances - Credit to producers for energy efficient refrigerators and washing machines	[2]	-50	-57	-59	-53	-39	-21	-9	-3	[3]	---	-257	-292
F. Credit for Energy Efficiency Improvements to Existing Homes and Business Credit for Construction of New Energy Efficient Homes - credit up to \$2,000 for installation of qualifying insulation, and windows and doors in newly constructed and existing residential property, and heating and cooling systems in newly constructed residential property	tyba 12/31/01 & ppisb 1/1/07	-84	-403	-319	-308	-276	-168	---	---	---	---	-1,390	-1,558
G. Allowance of Deduction for Certain Energy Efficient Commercial Building Property	tyba 12/31/01 & ppisb 1/1/07	-75	-75	-76	-80	-81	---	---	---	---	---	-387	-387
H. Allowance of Deduction for New and Retrofitted Energy Management Devices; Three-Year Applicable Recovery Period for Depreciation of Qualified New Energy Management Devices	ppisa DOE	-11	-11	-19	-25	-29	-30	-29	-29	-28	-28	-95	-239

Provision	Effective	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2002-06	2002-11
I. Energy Credit for Combined Heat and Power System Property	episa 12/31/01 & episb 1/1/07	-6	-37	-65	-72	-76	-51	-26	-15	-7	-1	-257	-357
J. Allow Nonbusiness Energy Credits Against the Alternative Minimum Tax	tyba 12/31/01	-1	-6	-11	-18	-27	-26	-6	-6	---	---	-62	-100
K. Repeal Certain Excise Taxes on Railroad Diesel Fuel and Inland Waterway Fuel - reduce excise taxes by 1 cent/gallon in 2001 through 2004, 2 cents/gallon in 2005 and 2006, 3 cents/gallon in 2007 and 2008, 4 cents/gallon in 2009, and 4.3 cents/gallon thereafter	10/1/01	-32	-34	-35	-63	-75	-106	-121	-154	-181	-190	-240	-992
L. Btu-Based Highway Excise Tax Rate for Diesel Fuel Blended with Water	fra 9/30/01	----- Loss of Less Than \$500,000 -----											
M. Investment and Production Credits for Clean Coal Technology (through 12/31/11)	epoia 12/31/01	-4	-115	-312	-405	-441	-433	-411	-399	-393	-393	-1,279	-3,307
Total of Conservation Provisions		-393	-1,137	-1,459	-1,843	-2,034	-1,803	-1,268	-949	-852	-825	-6,872	-12,572
Reliability Provisions													
A. Natural Gas Gathering Pipelines Treated as Seven-Year Property	ppisa DOE	----- Negligible Revenue Effect -----											
B. Gas Distribution Pipelines Treated as Ten-Year Property	ppisa DOE	-65	-131	-205	-265	-317	-372	-434	-502	-574	-635	-984	-3,500
C. Petroleum Refining Property Treated as Seven-Year Property	ppisa DOE	-43	-87	-128	-145	-164	-196	-211	-166	-107	-72	-568	-1,320
D. Same Depreciation Methods for the Gas and Oil Property Listed Above for Regular and Minimum Tax	ppisa DOE	-30	-44	-47	-38	-21	-4	11	24	20	15	-179	-113
E. Expensing of Capital Costs Incurred and Credit for Production in Complying with Environmental Protection Agency Sulfur Regulations for Small Refiners	epoia DOE	---	---	---	---	-8	-15	-27	-42	-11	8	-8	-96
F. 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 75,000 barrels	tyba 12/31/01	-14	-14	-14	-14	-15	-15	-16	-16	-16	-17	-71	-151
G. Modifications to Rules Governing Issuance of Tax-Exempt Bonds for Public Power Facilities	DOE	-17	-101	-177	-231	-268	-295	-319	-341	-349	-362	-793	-2,460
H. Rollover and Spin-Off Relief for Certain Dispositions of Transmission Property Before January 1, 2009, to Implement FERC Restructuring Policy	[4]	-507	-656	-758	-782	-151	-103	[5]	181	196	185	-2,854	-2,396
I. Modification to Special Rules for Nuclear Decommissioning Costs - transfer of non-qualified funds; eliminate cost of service requirement, permit full funding in qualified fund, and clarify treatment of fund transfers	tyba 2001	-63	-127	-156	-166	-185	-209	-241	-253	-262	-271	-697	-1,933
J. Treatment of Certain Income of Electric Cooperatives	tyba DOE	-6	-12	-15	-17	-19	-20	-21	-22	-23	-24	-70	-179
K. Repeal of Requirement That Certain Terminals Offer Both Dyed and Undyed Diesel Fuel and Kerosene as a Condition of Registration	DOE	----- Negligible Revenue Effect -----											

Provision	Effective	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2002-06	2002-11
L. Exempt Certain Prepayments for Natural Gas From Tax-Exempt Bond Arbitrage Rules - require 85% of the gas be sold within the State for bonds issued after the date of enactment	generally DOE	-15	-40	-55	-64	-77	-90	-103	-116	-128	-139	-251	-827
Total of Reliability Provisions		-760	-1,212	-1,555	-1,722	-1,225	-1,319	-1,361	-1,253	-1,254	-1,312	-6,475	-12,975
Production Provisions													
A. Tax Credit for Oil and Gas Production From Marginal Wells	pi tyba 12/31/01	----- <i>No Revenue Effect</i> -----											
B. Temporary Suspension of Limitation Based on 65-Percent of Taxable Income (through 12/31/06)	tyba 12/31/01	-117	-178	-177	-179	-183	-64	---	---	---	---	-833	-898
C. Extension of Suspension of Taxable Income Limit With Respect to Marginal Production (through 12/31/06)	tyba 12/31/01	-27	-41	-41	-43	-44	-16	---	---	---	---	-196	-212
D. Deduction for Delay Rental Payments	apoi tyba 12/31/01	-75	-117	-117	-118	-119	-120	-122	-124	-125	-127	-547	-1,166
E. Election to Expense Geological and Geophysical Expenditures	cpoi tyba 12/31/01	-169	-192	-111	-81	-73	-60	-57	-66	-73	-76	-626	-958
F. Allow Net Operating Losses From Oil and Gas Properties to be Carried Back for Up to Five Years	NOLf tyba 12/31/01	-58	-85	-78	-88	-114	-134	-135	-133	-138	-141	-423	-1,104
G. Extension and Modification of Credit for Producing Fuel From a Non-Conventional Source (placed in service through 12/31/06)	fsfqfa DOE	-44	-161	-298	-447	-587	-540	-410	-266	-74	[5]	-1,536	-2,826
H. Allow Certain Business Energy Credits Against the Alternative Minimum Tax	tyea DOE	-32	-174	-268	-214	-66	77	104	53	17	[6]	-754	-502
I. Repeal Alternative Minimum Tax Intangible Drilling Costs ("IDC") Preference for Oil and Gas Production	tyba 12/31/01 & tybb 1/1/05	-21	-28	-25	[3]	11	9	8	7	6	5	-62	-28
J. Allow Enhanced Oil Recovery Credit Against the Alternative Minimum Tax	tyba 12/31/01 & tybb 1/1/05	-34	-53	-55	-14	8	7	7	7	6	6	-149	-115
K. Extension of Accelerated Depreciation and Wage Credit Benefits for Energy-Related Business on Indian Reservations (through 12/31/06)	DOE	1	5	-25	-89	-127	-94	-10	44	65	54	-234	-175
Total of Production Provisions		-576	-1,024	-1,195	-1,273	-1,294	-935	-615	-478	-316	-279	-5,360	-7,984
NET TOTAL		-1,729	-3,373	-4,209	-4,838	-4,553	-4,057	-3,244	-2,680	-2,422	-2,416	-18,707	-33,531

Joint Committee on Taxation

NOTE: Details may not add to totals due to rounding. Date of enactment is assumed to be October 1, 2001.

Legend for "Effective" column:

apoi = amounts paid or incurred in
 cpoi = costs paid or incurred in
 DOE = date of enactment
 epoi = expenses paid or incurred after
 episa = equipments placed in service after
 episb = equipment placed in service before

esfqfa = electricity sold from qualifying facilities after
 fra = fuels removed after
 fsfqfa = fuel sold from qualifying facilities after
 NOLf = net operating losses for
 pi = production in

ppisa = property placed in service after
 ppisb = property placed in service before
 tyba = taxable years beginning after
 tybb = taxable years beginning before
 teya = taxable years ending after

[Footnotes for JCX-62-01 appear on the following page]

Footnotes for JCX-62-01:

- [1] Effective for property placed in service after December 31, 2001, in taxable years ending after December 31, 2001.
- [2] Effective for taxable years beginning after the date of enactment and property produced before January 1, 2006 (January 1, 2004, in the case of refrigerators that only meet the 10-percent credit standard).
- [3] Loss of less than \$500,000.
- [4] Effective for transactions occurring after and distributions occurring after the date of enactment and before January 1, 2009.
- [5] Loss of less than \$1 million.
- [6] Gain of less than \$1 million.