



JOINT COMMITTEE ON TAXATION

November 6, 2009

JCX-52-09

A Description of a Modification to the Revenue Provisions of the Manager's Amendment to H.R. 3962

A modification to Division A, Title V, of H.R. 3962, the “Affordable Health Care for America Act,” as amended, makes the following change:

1. Modifications to second generation biofuel producer credit (sec. 555 of the bill and sec. 40 of the Internal Revenue Code)

The modification strikes the text of section 555 of the bill and substitutes a provision for the exclusion of unprocessed fuels from the cellulosic biofuel producer credit. The provision modifies the cellulosic biofuel producer credit to exclude fuels with significant water, sediment, or ash content, such as black liquor. Specifically, the provision excludes from the definition of cellulosic biofuel any fuels that (1) are more than four percent (determined by weight) water and sediment in any combination, or (2) have an ash content of more than one percent (determined by weight). The provision is effective for fuel sold or used after the date of enactment.