

ESTIMATED REVENUE EFFECTS OF THE "ENERGY TAX INCENTIVES ACT OF 2002"
SCHEDULED FOR MARKUP BY THE COMMITTEE ON FINANCE ON FEBRUARY 13, 2002

Fiscal Years 2002 - 2012

[Millions of Dollars]

Provision	Effective	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2002-07	2002-12
Renewable Energy - Extend and Modify the Section 45 Credit for Producing Electricity From Certain Sources (including tradable credits)														
esfqfa DOE		-30	-133	-242	-335	-363	-372	-372	-366	-359	-344	-291	-1,474	-3,207
Alternative Vehicles and Fuel Incentives														
1. Modified CLEAR Act:														
a. Credits for purchase of alternative motor vehicles and modifications to credit for electric vehicles	1/1/03	---	-50	-206	-320	-351	-219	22	15	10	4	1	-1,145	-1,093
b. Credit for retail sale of alternative fuels (30 cents/gallon in 2003, 40 cents in 2004, and 50 cents in 2005 through 2006)	1/1/03	---	-44	-100	-169	-215	-90	-1	-1	-1	-1	[1]	-619	-624
c. Extension of deduction for certain vehicles and refueling property	1/1/03	---	-50	-122	-133	-62	50	73	48	29	12	3	-316	-150
d. Credit for installation of alternative fueling stations	1/1/03	---	-2	-2	-2	-2	[1]	[2]	[2]	[2]	[2]	---	-9	-8
2. Modifications to small producer ethanol credit	tyba DOE	---	-16	-34	-34	-34	-34	-18	[1]	[1]	[1]	---	-152	-171
3. Transfer full amount of excise tax imposed on gasohol to the Highway Trust Fund	10/1/03	----- No Revenue Effect -----												
4. Modify income tax and fuels excise tax treatment of ETBE	DOE	----- Negligible Revenue Effect -----												
Total of Alternative Vehicles and Fuel Incentives		---	-162	-464	-658	-664	-293	76	62	38	15	4	-2,241	-2,046
Conservation and Energy Efficiency Provisions														
1. Business credit for construction of new energy efficient homes	DOE & ppisb 1/1/08 tyea 12/31/02 & ppb 1/1/07	-8	-16	-16	-11	-8	-7	-4	-1	[1]	---	---	-66	-72
2. Tax credit for energy efficient appliances	tyea 12/31/02 & ppb 1/1/08	---	-19	-31	-33	-65	-50	-28	-13	-2	---	---	-198	-241
3. Tax credit for residential fuel cell, solar, and wind energy property	tyea 12/31/02 & ppb 1/1/08	---	-4	-18	-22	-29	-32	-30	---	---	---	---	-105	-135
4. Business tax incentives for qualifying fuel cells (through 12/31/06):														
a. Stationary	ppisa 12/31/02	---	-3	-8	-14	-16	-10	-6	-3	-2	[1]	---	-51	-62
b. Portable	ppisa 12/31/02	----- Negligible Revenue Effect -----												
5. Allowance of deduction for certain energy efficient commercial building property	10/1/02 & ccb 1/1/10	---	-60	-61	-63	-64	-65	-65	-23	---	---	---	-313	-401
6. 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	-17	-20	-23	-24	-22	-20	-18	-17	-16	-16	-117	-205

Provision	Effective	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2002-07	2002-12
7. Energy credit for combined heat and power system property	episa 12/31/02 & episb 1/1/07	---	-34	-65	-72	-76	-51	-26	-15	-7	-1	---	-298	-347
Total of Conservation and Energy Efficiency Provisions		-19	-153	-219	-238	-282	-237	-179	-73	-28	-17	-16	-1,148	-1,463
Clean Coal Incentives - Investment and Production														
Credits for Clean Coal Technology														
1. Credit for production from a qualifying clean coal technology unit	pa DOE	---	-2	-33	-61	-73	-84	-91	-94	-97	-99	-101	-253	-733
2. Credit for investment in qualifying advanced clean coal technology	ppisa DOE	---	-1	-22	-54	-56	-47	-31	-77	-62	-26	-17	-180	-394
3. Credit for production from qualifying advanced clean coal technology	pa DOE	---	[1]	-5	-19	-42	-63	-80	-104	-136	-158	-171	-129	-780
Total of Clean Coal Incentives - Investment and Production Credit for Clean Coal Technology		---	-3	-60	-134	-171	-194	-202	-275	-295	-283	-289	-562	-1,907
Oil and Gas Provisions														
1. Tax credit for marginal domestic oil and natural gas well production	DOE	----- <i>No Revenue Effect</i> -----												
2. Natural gas gathering pipelines treated as 7-year property	ppisa DOE	-1	-4	-5	-6	-7	-8	-9	-11	-11	-12	-13	-31	-87
3. Repeal of requirement that certain terminals offer both dyed and undyed diesel fuel and kerosene as a condition of registration	DOE	----- <i>Negligible Revenue Effect</i> -----												
4. Expensing of capital costs incurred and credit for production in complying with Environmental Protection Agency sulfur regulations for small refiners	epoia DOE	---	---	---	---	-5	-10	-17	-27	-7	5	4	-14	-57
5. 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 50,000 barrels	tyba 12/31/02	---	-3	-5	-5	-6	-6	-6	-6	-6	-6	-7	-26	-57
6. Extension of suspension of 100% of taxable income limit with respect to marginal production (through 12/31/06)	tyba 12/31/01	-21	-35	-38	-40	-42	-15	---	---	---	---	---	-191	-191
7. Election to amortize geological and geophysical expenditures over 2 years (no transition rule)	cpoii tyba 12/31/02	---	291	205	-73	-154	-146	-146	-155	-161	-165	-170	122	-675
8. Election to amortize delay rental payments over 2 years (no transition rule)	apooi tyba 12/31/02	---	107	44	-82	-116	-116	-55	-86	-121	-123	-124	-162	-672
9. Study of coal bed methane	DOE	----- <i>No Revenue Effect</i> -----												
10. Refined coal (\$3 credit and no indexing)	fsa DOE	---	[1]	-1	-4	-7	-8	-8	-7	-4	-1	---	-21	-41
11. Natural gas distribution lines treated as 15-year property	ppisa DOE	-8	-30	-59	-87	-111	-133	-152	-173	-199	-226	-254	-427	-1,431
Total of Oil and Gas Provisions		-30	326	141	-297	-448	-442	-393	-465	-509	-528	-564	-750	-3,211
Provisions Relating to Electric Industry Restructuring														
1. Ongoing study and reports with regard to tax issues resulting from future restructuring decisions	DOE	----- <i>No Revenue Effect</i> -----												

Provision	Effective	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2002-07	2002-12
2. Modification to Special Rules for Nuclear Decommissioning Costs - eliminate cost of service requirement and clarify treatment of fund transfers	tyba 2002	---	-18	-46	-56	-75	-99	-131	-143	-152	-161	-171	-294	-1,052
3. Treatment of certain income of electric cooperatives	tyba DOE	-6	-13	-16	-19	-21	-23	-25	-27	-29	-32	-35	-97	-245
Total of Provisions Relating to Electric Industry Restructuring		-6	-31	-62	-75	-96	-122	-156	-170	-181	-193	-206	-391	-1,297
Extension of Tax Incentives for Indian Reservations - Extension of Accelerated Depreciation and Wage Credit Benefits for Businesses on Indian Reservations (through 12/31/05)	DOE	---	8	-153	-468	-427	-100	97	200	225	157	62	-1,140	-399
NET TOTAL		-85	-148	-1,059	-2,205	-2,451	-1,760	-1,129	-1,087	-1,109	-1,193	-1,300	-7,706	-13,530

Joint Committee on Taxation

NOTE: Details may not add to totals due to rounding.

Legend for "Effective" column:

apoi = amounts paid or incurred in
ccb = construction completed before
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
fsa = fuels sold after
pa = production after
pcpt = plans certified prior to

ppb = property purchased before
ppisa = property placed in service after
ppisb = property placed in service before
tyba = taxable years beginning after
tyea = taxable years ending after

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

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