

114TH CONGRESS  
1ST SESSION

# H. R. 2517

To amend the Internal Revenue Code of 1986 to extend certain expiring energy tax incentives.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 21, 2015

Mr. KELLY of Pennsylvania (for himself and Mr. KIND) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to extend certain expiring energy tax incentives.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE, ETC.**

4 (a) SHORT TITLE.—This Act may be cited as the  
5 “Powering American Jobs Act of 2015”.

6 (b) AMENDMENT OF 1986 CODE.—Except as other-  
7 wise expressly provided, whenever in this Act an amend-  
8 ment or repeal is expressed in terms of an amendment  
9 to, or repeal of, a section or other provision, the reference

1 shall be considered to be made to a section or other provi-  
 2 sion of the Internal Revenue Code of 1986.

3 (c) TABLE OF CONTENTS.—The table of contents for  
 4 this Act is as follows:

- Sec. 1. Short title, etc.
- Sec. 2. Extension and modification of credit for nonbusiness energy property.
- Sec. 3. Extension of excise tax credits relating to certain fuels.
- Sec. 4. Extension of credit for alternative fuel vehicle refueling property.
- Sec. 5. Extension of incentives for biodiesel and renewable diesel.
- Sec. 6. Equalization of excise tax on liquefied natural gas and liquefied petroleum gas.

5 **SEC. 2. EXTENSION AND MODIFICATION OF CREDIT FOR**  
 6 **NONBUSINESS ENERGY PROPERTY.**

7 (a) IN GENERAL.—Section 25C(g)(2) is amended by  
 8 striking “December 31, 2014” and inserting “December  
 9 31, 2016”.

10 (b) UPDATED ENERGY STAR REQUIREMENTS FOR  
 11 WINDOWS, DOORS, SKYLIGHTS, AND ROOFING.—

12 (1) IN GENERAL.—Section 25C(c)(1) is amend-  
 13 ed by striking “which meets” and all that follows  
 14 through “requirements)”.

15 (2) ENERGY EFFICIENT BUILDING ENVELOPE  
 16 COMPONENT.—Section 25C(c) is amended by redesi-  
 17 gnating paragraphs (2) and (3) as paragraphs (3)  
 18 and (4), respectively, and by inserting after para-  
 19 graph (1) the following new paragraph:

20 “(2) ENERGY EFFICIENT BUILDING ENVELOPE  
 21 COMPONENT.—The term ‘energy efficient building

1 envelope component' means a building envelope com-  
2 ponent which meets—

3 “(A) applicable Energy Star program re-  
4 quirements, in the case of a roof or roof prod-  
5 ucts,

6 “(B) version 6.0 Energy Star program re-  
7 quirements, in the case of an exterior window,  
8 a skylight, or an exterior door, and

9 “(C) the prescriptive criteria for such com-  
10 ponent established by the 2009 International  
11 Energy Conservation Code, as such Code (in-  
12 cluding supplements) is in effect on the date of  
13 the enactment of the American Recovery and  
14 Reinvestment Tax Act of 2009, in the case of  
15 any other component.”.

16 (3) CONFORMING AMENDMENT.—Section  
17 25C(e)(3)(D), as so redesignated, is amended to  
18 read as follows:

19 “(D) any roof or roof products which are  
20 installed on a dwelling unit and are specifically  
21 and primarily designed to reduce the heat gain  
22 of such dwelling unit.”.

23 (c) SEPARATE STANDARDS FOR TANKLESS AND  
24 STORAGE WATER HEATERS.—Section 25C(d)(3)(D) is

1 amended by striking “which has either” and all that fol-  
2 lows and inserting “which has—

3 “(i) in the case of a natural gas, pro-  
4 pane, or oil storage water heater, an en-  
5 ergy factor of at least 0.80 or a thermal  
6 efficiency of at least 90 percent,

7 “(ii) in the case of an electric heat  
8 pump storage water heater, an energy fac-  
9 tor of at least 2.0,

10 “(iii) effective April 16, 2015, in the  
11 case of a natural gas, propane, or oil stor-  
12 age water heater, with a rated Btu input  
13 of no more than 75,000 Btu/hr, an energy  
14 factor of at least 0.80 or, with a rated Btu  
15 input greater than 75,000 Btu/hr, a ther-  
16 mal efficiency of at least 90 percent,

17 “(iv) effective April 16, 2015, in the  
18 case of an electric heat pump storage  
19 water heater, with a water storage capacity  
20 equal to or less than 55 gallons, an energy  
21 factor of at least 2.0 or, with a water stor-  
22 age capacity equal to or greater than 55  
23 gallons, an energy factor of at least 2.2,  
24 and

1                   “(v) in the case of any other water  
2                   heater, an energy factor of at least 0.90 or  
3                   a thermal efficiency of at least 90 percent,  
4                   and”.

5           (d) MODIFICATION OF TESTING STANDARDS FOR  
6 BIOMASS STOVES.—Section 25C(d)(3)(E) is amended by  
7 inserting before the period the following: “, when tested  
8 using the higher heating value of the fuel and in accord-  
9 ance with the Canadian Standards Administration B415.1  
10 test protocol”.

11           (e) MODIFICATIONS TO RESIDENTIAL ENERGY PROP-  
12 erty EXPENDITURES.—

13           (1) QUALIFIED NATURAL GAS, PROPANE, OR  
14 OIL FURNACES OR HOT WATER BOILERS.—Section  
15 25C(d)(4) is amended to read as follows:

16           “(4) QUALIFIED NATURAL GAS, PROPANE, OR  
17 OIL FURNACE OR HOT WATER BOILER.—The term  
18 ‘qualified natural gas, propane, or oil furnace or hot  
19 water boiler’ means—

20                   “(A) a natural gas or propane furnace  
21                   which achieves an annual fuel utilization effi-  
22                   ciency rate of not less than 95,

23                   “(B) a natural gas or propane hot water  
24                   boiler which achieves an annual fuel utilization  
25                   efficiency rate of not less than 90, and

1           “(C) an oil furnace or hot water boiler  
2           which—

3                   “(i) achieves an annual fuel utilization  
4                   efficiency rate of not less than 87, and

5                           “(ii)(I) in the case of a hot water boil-  
6                           er, is installed with an indirect water heat-  
7                           er, and

8                                   “(II) in the case of a furnace, is in-  
9                                   stalled with an electronically commutated  
10                                   blower motor.”.

11           (f) EFFECTIVE DATE.—The amendments made by  
12 this section shall apply to property placed in service after  
13 December 31, 2014.

14 **SEC. 3. EXTENSION OF EXCISE TAX CREDITS RELATING TO**  
15 **CERTAIN FUELS.**

16           (a) EXCISE TAX CREDITS AND OUTLAY PAYMENTS  
17 FOR BIODIESEL AND RENEWABLE DIESEL FUEL MIX-  
18 TURES.—

19                   (1) Section 6426(c)(6) is amended by striking  
20                   “December 31, 2014” and inserting “December 31,  
21                   2016”.

22                   (2) Section 6427(e)(6)(B) is amended by strik-  
23                   ing “December 31, 2014” and inserting “December  
24                   31, 2016”.

1 (b) EXTENSION OF ALTERNATIVE FUELS EXCISE  
2 TAX CREDITS.—

3 (1) IN GENERAL.—Sections 6426(d)(5) and  
4 6426(e)(3) are each amended by striking “December  
5 31, 2014” and inserting “December 31, 2016”.

6 (2) OUTLAY PAYMENTS FOR ALTERNATIVE  
7 FUELS.—Section 6427(e)(6)(C) is amended by strik-  
8 ing “December 31, 2014” and inserting “December  
9 31, 2016”.

10 (c) EFFECTIVE DATES.—The amendments made by  
11 this section shall apply to fuel sold or used after December  
12 31, 2014.

13 (d) SPECIAL RULE FOR CERTAIN PERIODS DURING  
14 2015.—Notwithstanding any other provision of law, in the  
15 case of—

16 (1) any biodiesel mixture credit properly deter-  
17 mined under section 6426(c) of the Internal Revenue  
18 Code of 1986 for periods after December 31, 2014,  
19 and before the date of the enactment of this Act,  
20 and

21 (2) any alternative fuel credit properly deter-  
22 mined under section 6426(d) of such Code for such  
23 periods,

24 such credit shall be allowed, and any refund or payment  
25 attributable to such credit (including any payment under

1 section 6427(e) of such Code) shall be made, only in such  
2 manner as the Secretary of the Treasury (or the Sec-  
3 retary's delegate) shall provide. Such Secretary shall issue  
4 guidance within 30 days after the date of the enactment  
5 of this Act providing for a one-time submission of claims  
6 covering periods described in the preceding sentence. Such  
7 guidance shall provide for a 180-day period for the sub-  
8 mission of such claims (in such manner as prescribed by  
9 such Secretary) to begin not later than 30 days after such  
10 guidance is issued. Such claims shall be paid by such Sec-  
11 retary not later than 60 days after receipt. If such Sec-  
12 retary has not paid pursuant to a claim filed under this  
13 subsection within 60 days after the date of the filing of  
14 such claim, the claim shall be paid with interest from such  
15 date determined by using the overpayment rate and meth-  
16 od under section 6621 of such Code.

17 **SEC. 4. EXTENSION OF CREDIT FOR ALTERNATIVE FUEL**  
18 **VEHICLE REFUELING PROPERTY.**

19 (a) **IN GENERAL.**—Section 30C(g) is amended by  
20 striking “December 31, 2014” and inserting “December  
21 31, 2016”.

22 (b) **EFFECTIVE DATE.**—The amendment made by  
23 this section shall apply to property placed in service after  
24 December 31, 2014.



1 **SEC. 5. EXTENSION OF INCENTIVES FOR BIODIESEL AND**  
2 **RENEWABLE DIESEL.**

3 (a) CREDITS FOR BIODIESEL AND RENEWABLE DIE-  
4 SEL USED AS FUEL.—Section 40A(g) is amended by  
5 striking “December 31, 2014” and inserting “December  
6 31, 2016”.

7 (b) EFFECTIVE DATE.—The amendment made by  
8 this section shall apply to fuel sold or used after December  
9 31, 2014.

10 **SEC. 6. EQUALIZATION OF EXCISE TAX ON LIQUEFIED NAT-**  
11 **URAL GAS AND LIQUEFIED PETROLEUM GAS.**

12 (a) LIQUEFIED PETROLEUM GAS.—

13 (1) IN GENERAL.—Section 4041(a)(2)(B) is  
14 amended by striking “and” at the end of clause (i),  
15 by redesignating clause (ii) as clause (iii), and by in-  
16 serting after clause (i) the following new clause:

17 “(ii) in the case of liquefied petroleum  
18 gas, 18.3 cents per energy equivalent of a  
19 gallon of gasoline, and”.

20 (2) ENERGY EQUIVALENT OF A GALLON OF  
21 GASOLINE.—Section 4041(a)(2) is amended by add-  
22 ing at the end the following:

23 “(C) ENERGY EQUIVALENT OF A GALLON  
24 OF GASOLINE.—For purposes of this para-  
25 graph, the term ‘energy equivalent of a gallon  
26 of gasoline’ means, with respect to a liquefied

1           petroleum gas fuel, the amount of such fuel  
2           having a Btu content of 115,400 (lower heating  
3           value).”.

4           (b) LIQUEFIED NATURAL GAS.—

5           (1) IN GENERAL.—Section 4041(a)(2)(B), as  
6           amended by subsection (a)(1), is amended by strik-  
7           ing “and” at the end of clause (ii), by striking the  
8           period at the end of clause (iii) and inserting “,  
9           and” and by inserting after clause (iii) the following  
10          new clause:

11                           “(iv) in the case of liquefied natural  
12                           gas, 24.3 cents per energy equivalent of a  
13                           gallon of diesel.”.

14          (2) ENERGY EQUIVALENT OF A GALLON OF  
15          DIESEL.—Section 4041(a)(2), as amended by sub-  
16          section (a)(2), is amended by adding at the end the  
17          following:

18                           “(D) ENERGY EQUIVALENT OF A GALLON  
19                           OF DIESEL.—For purposes of this paragraph,  
20                           the term ‘energy equivalent of a gallon of diesel’  
21                           means, with respect to a liquefied natural gas  
22                           fuel, the amount of such fuel having a Btu con-  
23                           tent of 128,700 (lower heating value). For pur-  
24                           poses of the preceding sentence, a Btu content

1 of 128,700 (lower heating value) is equal to  
2 6.06 pounds of liquefied natural gas.”.

3 (3) CONFORMING AMENDMENTS.—Section  
4 4041(a)(2)(B)(iv), as redesignated by subsection  
5 (a)(1) and paragraph (1), is amended—

6 (A) by striking “liquefied natural gas,”  
7 and

8 (B) by striking “peat), and” and inserting  
9 “peat) and”.

10 (c) EFFECTIVE DATE.—The amendments made by  
11 this section shall apply to any sale or use of fuel after  
12 September 30, 2015.

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