

Investment in Energy Independence Act

H.R. 683

This legislation seeks to allow for further investment in alternative fuels projects through the extension and expansion of current tax credits. Below is a section-by-section summary of the bill:

Sec. 2 – Credit for Investment in Coal-to-Liquid Fuels Projects

Establishes the creation of a coal-to-liquids fuels project credit.

Sec. 3 – Temporary Expensing for Equipment Used in Coal-to-Liquid Fuels Process

Provides for accelerated cost recovery for alternative liquid fuel plants by authorizing 100 percent expensing in the year of outlay for any alternative liquid fuel plant begun by 2020.

Sec. 4 – Extension of Alternative Fuel Credit

Extends the \$0.50 Per Gallon Alternative Liquid Fuels Excise Tax Credit for certain alternative liquid fuels, including coal-to-liquids products, currently set to expire in 2009. This section would extend it through 2020 and allow for inclusion of domestic oil shale products.

Sec. 5 – Allowance of Enhanced Oil or Coalbed Methane Recovery Credit against the Alternative Minimum Tax

Provides for AMT exclusion for alternative liquid fuel plant using enhanced oil or enhanced coalbed methane recovery.

Sec. 6 – Modifications to Enhanced Oil and Coalbed Methane Recovery Credit

Increases the tax incentives for qualified enhanced oil recovery projects from 15 percent to 50 percent through 2020.

Sec. 7 – Temporary Expensing For Equipment Used in Refining of Liquid Fuels, Including Liquids from Coal

Creates incentives for the refining of alternative liquid fuels by extending the expensing allowance for equipment used in refining to 100 percent of any required additions to existing refineries needed to handle, process, or store domestic alternative liquid fuels products.

Sec. 8 – Temporary Expensing for Conversion of Energy Sources from Natural Gas to Coal in Existing Ethanol Facilities

Allows for the expensing of conversion costs in transitioning existing ethanol facilities from natural gas to coal.