

AMENDMENT NO.

Calendar No. _____

Purpose: To amend the Internal Revenue Code of 1986 to eliminate big oil and gas company tax loopholes, and to use the resulting increase in revenues to reduce the deficit and to invest in energy efficiency and conservation.

IN THE SENATE OF THE UNITED STATES—111th Cong., 2d Sess.

H. R. 4213

To amend the Internal Revenue Code of 1986 to extend certain expiring provisions, and for other purposes.

Referred to the Committee on _____ and
ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT intended to be proposed by Mr. SANDERS to
the amendment (No. 4301) proposed by Mr. BAUCUS

Viz:

1 At the end of subtitle D of title IV, insert the fol-
2 lowing:

3 **SEC. —. REPEAL OF EXPENSING AND 60-MONTH AMORTIZA-**
4 **TION OF INTANGIBLE DRILLING COSTS.**

5 Subsection (c) of section 263 is amended by striking
6 the period at the end of the third sentence and inserting
7 “, or to any costs paid or incurred after December 31,
8 2010.”.

1 **SEC. —. REPEAL OF PERCENTAGE DEPLETION FOR OIL**
2 **AND GAS WELLS.**

3 (a) IN GENERAL.—Section 613 is amended by adding
4 at the end the following new subsection:

5 “(f) TERMINATION OF PERCENTAGE DEPLETION
6 FOR OIL AND GAS PROPERTIES.—In the case of oil and
7 gas properties, this section shall not apply to any taxable
8 year beginning after December 31, 2010.”.

9 (b) LIMITATIONS ON PERCENTAGE DEPLETION IN
10 CASE OF OIL AND GAS WELLS.—Section 613A is amend-
11 ed by adding at the end the following new subsection:

12 “(f) TERMINATION.—This section shall not apply to
13 any taxable year beginning after December 31, 2010.”.

14 **SEC. —. DENIAL OF DEDUCTION FOR INCOME ATTRIB-**
15 **UTABLE TO DOMESTIC PRODUCTION OF OIL,**
16 **NATURAL GAS, OR PRIMARY PRODUCTS**
17 **THEREOF.**

18 (a) IN GENERAL.—Subparagraph (B) of section
19 199(c)(4) is amended by striking “or” at the end of clause
20 (ii), by striking the period at the end of clause (iii) and
21 inserting “, or”, and by inserting after clause (iii) the fol-
22 lowing new clause:

23 “(iv) the production, refining, proc-
24 essing, transportation, or distribution of
25 oil, natural gas, or any primary product
26 thereof.”.

1 (b) PRIMARY PRODUCT.—Section 199(c)(4)(B) is
2 amended by adding at the end the following flush sen-
3 tence:

4 “For purposes of clause (iv), the term ‘primary
5 product’ has the same meaning as when used in
6 section 927(a)(2)(C), as in effect before its re-
7 peal.”.

8 (c) CONFORMING AMENDMENTS.—

9 (1) Section 199(c)(4) is amended—

10 (A) in subparagraph (A)(i)(III) by striking
11 “electricity, natural gas,” and inserting “elec-
12 tricity”, and

13 (B) in subparagraph (B)(ii) by striking
14 “electricity, natural gas,” and inserting “elec-
15 tricity”.

16 (2) Section 199(d) is amended by striking para-
17 graph (9) and by redesignating paragraph (10) as
18 paragraph (9).

19 (d) EFFECTIVE DATE.—The amendments made by
20 this section shall apply to taxable years beginning after
21 December 31, 2010.

22 **SEC. —. APPROPRIATION OF FUNDS.**

23 Out of any funds in the Treasury not otherwise ap-
24 propriated, there is appropriated to the Energy Efficiency
25 and Conservation Block Grant Program, under subtitle E

1 of the Energy Independence and Security Act of 2007,
2 \$2,000,000,000 for each of fiscal years 2011, 2012, 2013,
3 2014, and 2015.