

112TH CONGRESS
1ST SESSION

H. R. 2223

To amend the Internal Revenue Code of 1986 to extend and modify the section 45 credit for refined coal from steel industry fuel, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 16, 2011

Mr. GERLACH (for himself, Mr. DOYLE, Mr. MURPHY of Pennsylvania, Mr. SHUSTER, Mrs. CAPITO, Mr. HOLDEN, and Mr. MCKINLEY) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to extend and modify the section 45 credit for refined coal from steel industry fuel, and for other purposes.

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.**

4 This Act may be cited as the “Steel Industry Support
5 Act of 2011”.

6 **SEC. 2. EXTENSION AND MODIFICATION OF CREDIT FOR**
7 **STEEL INDUSTRY FUEL.**

8 (a) CREDIT PERIOD.—

1 (1) IN GENERAL.—Subclause (II) of section
2 45(e)(8)(D)(ii) of the Internal Revenue Code of
3 1986 is amended to read as follows:

4 “(II) CREDIT PERIOD.—In lieu
5 of the 10-year period referred to in
6 clauses (i) and (ii)(II) of subpara-
7 graph (A), the credit period shall be
8 the period beginning on the date that
9 the facility first produces steel indus-
10 try fuel that is sold to an unrelated
11 person after September 30, 2008, and
12 ending 10 years after such date.”.

13 (2) CONFORMING AMENDMENT.—Section
14 45(e)(8)(D) of such Code is amended by striking
15 clause (iii) and by redesignating clause (iv) as clause
16 (iii).

17 (b) EXTENSION OF PLACED-IN-SERVICE DATE.—
18 Subparagraph (A) of section 45(d)(8) of the Internal Rev-
19 enue Code of 1986 is amended—

20 (1) by striking “(or any modification to a facil-
21 ity)”; and

22 (2) by striking “January 1, 2010” and insert-
23 ing “July 1, 2012”.

24 (c) CLARIFICATIONS.—

1 (1) STEEL INDUSTRY FUEL.—Subclause (I) of
2 section 45(c)(7)(C)(i) of the Internal Revenue Code
3 of 1986 is amended by inserting “, a blend of coal
4 and petroleum coke, or other coke feedstock” after
5 “on coal”.

6 (2) OWNERSHIP INTEREST.—Section 45(d)(8)
7 of such Code is amended by adding at the end the
8 following new flush sentence:
9 “With respect to a facility producing steel industry
10 fuel, no person (including a ground lessor, customer,
11 supplier, or technology licensor) shall be treated as
12 having an ownership interest in the facility or as
13 otherwise entitled to the credit allowable under this
14 section with respect to such facility if such person’s
15 rent, license fee, or other entitlement to net pay-
16 ments from the owner of such facility is measured
17 by a fixed dollar amount or a fixed amount per ton,
18 or otherwise determined without regard to the profit
19 or loss of such facility.”.

20 (3) PRODUCTION AND SALE.—Subparagraph
21 (D) of section 45(e)(8) of such Code, as amended by
22 subsection (a)(2), is amended by redesignating
23 clause (iii) as clause (iv) and by inserting after
24 clause (ii) the following new clause:

1 “(iii) PRODUCTION AND SALE.—The
2 owner of a facility producing steel industry
3 fuel shall be treated as producing and sell-
4 ing steel industry fuel where that owner
5 manufactures such steel industry fuel from
6 coal, a blend of coal and petroleum coke,
7 or other coke feedstock to which it has
8 title. The sale of such steel industry fuel
9 by the owner of the facility to a person
10 who is not the owner of the facility shall
11 not fail to qualify as a sale to an unrelated
12 person solely because such purchaser may
13 also be a ground lessor, supplier, or cus-
14 tomer.”.

15 (d) SPECIFIED CREDIT FOR PURPOSES OF ALTER-
16 NATIVE MINIMUM TAX EXCLUSION.—Subclause (II) of
17 section 38(c)(4)(B)(iii) of the Internal Revenue Code of
18 1986 is amended by inserting “(in the case of a refined
19 coal production facility producing steel industry fuel, dur-
20 ing the credit period set forth in section
21 45(e)(8)(D)(ii)(II))” after “service”.

22 (e) EFFECTIVE DATES.—

23 (1) IN GENERAL.—The amendments made by
24 subsections (a), (b), and (d) shall apply to fuel pro-
25 duced and sold after September 30, 2008.

1 (2) CLARIFICATIONS.—The amendments made
2 by subsection (c) shall take effect as if included in
3 the amendments made by the Energy Improvement
4 and Extension Act of 2008.

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