

112TH CONGRESS
1ST SESSION

S. 1285

To amend the Internal Revenue Code of 1986 to extend and modify the credit for new qualified hybrid motor vehicles, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JUNE 28, 2011

Mr. KOHL (for himself and Mr. BLUNT) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to extend and modify the credit for new qualified hybrid motor vehicles, 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 “Hybrid and Electric
5 Trucks and Infrastructure Act”.

6 **SEC. 2. EXTENSION AND MODIFICATION OF NEW QUALI-**
7 **FIED HYBRID MOTOR VEHICLE CREDIT.**

8 (a) EXTENSION.—Paragraph (3) of section 30B(k) of
9 the Internal Revenue Code of 1986 is amended—

10 (1) by striking “after”,

1 (2) by inserting “after” before “December”
2 each place it appears in paragraphs (1), (2), and
3 (4), and

4 (3) in paragraph (3), by striking “subsection
5 (e), December 31, 2009, and” and inserting “sub-
6 section (e)—

7 “(A) after December 31, 2009 and before
8 the date of the enactment of the Hybrid and
9 Electric Trucks and Infrastructure Act, and

10 “(B) before December 31, 2015, and”.

11 (b) QUALIFIED INCREMENTAL HYBRID COST.—

12 Clause (iii) of section 30B(d)(2)(B) of the Internal Rev-
13 enue Code of 1986 is amended by striking “does not ex-
14 ceed—” and all that follows and inserting the following:
15 “does not exceed—

16 “(I) \$15,000, if such vehicle has
17 a gross vehicle weight rating of not
18 more than 14,000 pounds;

19 “(II) \$30,000, if such vehicle has
20 a gross vehicle weight rating of more
21 than 14,000 pounds but not more
22 than 26,000 pounds;

23 “(III) \$60,000, if such vehicle
24 has a gross vehicle weight rating of

1 more than 26,000 pounds but not
 2 more than 33,000 pounds; and

3 “(IV) \$100,000, if such vehicle
 4 has a gross vehicle weight rating more
 5 than 33,000 pounds.”.

6 (c) APPLICABLE PERCENTAGE FOR HEAVY TRUCKS
 7 ACHIEVING 20 PERCENT INCREASE IN CITY FUEL ECON-
 8 OMY.—Clause (ii) of section 30B(d)(2)(B) of the Internal
 9 Revenue Code of 1986 is amended by redesignating sub-
 10 clauses (I), (II), and (III) as subclauses (II), (III), and
 11 (IV), respectively, and by inserting before subclause (II)
 12 (as so redesignated) the following new subclause:

13 “(I) 10 percent in the case of a
 14 vehicle to which clause (iii)(IV) ap-
 15 plies if such vehicle achieves an in-
 16 crease in city fuel economy relative to
 17 a comparable vehicle of at least 20
 18 percent but less than 30 percent.”.

19 (d) DOLLAR LIMITATION.—Subparagraph (B) of sec-
 20 tion 30B(d)(2) of the Internal Revenue Code of 1986 is
 21 amended by adding at the end the following new clause:

22 “(vi) LIMITATION.—The amount al-
 23 lowed as a credit under subsection (a)(3)
 24 with respect to a vehicle by reason of

1 clause (i) of this subparagraph shall not
 2 exceed \$24,000.”.

3 (e) HEAVY ELECTRIC VEHICLES.—Paragraph (3) of
 4 section 30B(d) of the Internal Revenue Code of 1986 is
 5 amended by redesignating subparagraphs (B), (C), and
 6 (D) as subparagraphs (C), (D), and (E), respectively, and
 7 by inserting after subparagraph (A) the following new sub-
 8 paragraphs:

9 “(B) HEAVY ELECTRIC VEHICLES.—In the
 10 case of a vehicle with a gross vehicle weight rat-
 11 ing of not less than 8,500 pounds, the term
 12 ‘new qualified hybrid motor vehicle’ includes a
 13 motor vehicle—

14 “(i) which draws propulsion energy
 15 exclusively from a rechargeable energy
 16 storage system; and

17 “(ii) which meets the requirements of
 18 clauses (iii), (v), (vi), and (vii) of subpara-
 19 graph (A).”.

20 (f) CREDITS MAY BE TRANSFERRED.—Subsection
 21 (d) of section 30B of the Internal Revenue Code of 1986
 22 is amended by adding at the end the following new para-
 23 graph:

24 “(4) TRANSFERABILITY OF CREDIT.—

1 Hybrid and Electric Trucks and Infrastructure Act
2 and before January 1, 2015”; and

3 (2) by striking “PROPERTY PLACED IN SERVICE
4 DURING 2009 AND 2010” in the heading and inserting
5 “CERTAIN PROPERTY PLACED IN SERVICE BEFORE
6 2015”.

7 (c) DEFINITION OF ALTERNATIVE FUEL VEHICLE
8 REFUELING PROPERTY IN THE CASE OF ELECTRICITY.—
9 Subparagraph (B) of section 179A(d)(3) of the Internal
10 Revenue Code of 1986 is amended to read as follows:

11 “(B) for the recharging of motor vehicles
12 propelled by electricity, including electrical
13 panel upgrades, wiring, conduit, trenching, ped-
14 estals, and related equipment.”.

15 (d) EFFECTIVE DATE.—The amendments made by
16 this section shall apply to property placed in service after
17 the date of the enactment of this Act.

18 **SEC. 4. TAX CREDIT FOR ELECTRIFICATION TECH-**
19 **NOLOGIES TO REDUCE TRUCK IDLING.**

20 (a) IN GENERAL.—Subpart D of part IV of sub-
21 chapter A of chapter 1 of the Internal Revenue Code of
22 1986 (relating to business-related credits) is amended by
23 adding at the end the following new section:

1 **“SEC. 45S. IDLING REDUCTION CREDIT.**

2 “(a) GENERAL RULE.—For purposes of section 38,
3 the idling reduction tax credit determined under this sec-
4 tion for the taxable year is an amount equal to 50 percent
5 of the amount paid or incurred for the purchase and in-
6 stallation of each qualifying idling reduction device or
7 qualifying idle reduction infrastructure placed in service
8 by the taxpayer during the taxable year.

9 “(b) LIMITATION.—The maximum amount allowed as
10 a credit under subsection (a) shall not exceed \$3,500 per
11 device or per qualifying infrastructure.

12 “(c) DEFINITIONS.—For purposes of subsection
13 (a)—

14 “(1) QUALIFYING IDLING REDUCTION DE-
15 VICE.—The term ‘qualifying idling reduction device’
16 means any device or system of devices which—

17 “(A) is installed on a heavy-duty diesel
18 powered on-highway vehicle;

19 “(B) is designed to provide to such vehicle
20 those services (such as heat, air conditioning, or
21 electricity) that would otherwise require the op-
22 eration of the main drive engine while the vehi-
23 cle is temporarily parked or remains stationary
24 using either—

1 “(i) an all electric unit, such as a bat-
2 tery powered unit or from grid-supplied
3 electricity; or

4 “(ii) a dual fuel unit powered by die-
5 sel or other fuels, and capable of providing
6 such services from grid-supplied electricity
7 or on-truck batteries alone;

8 “(C) the original use of which commences
9 with the taxpayer;

10 “(D) is acquired for use by the taxpayer;
11 and

12 “(E) is certified by the Secretary of En-
13 ergy, in consultation with the Administrator of
14 the Environmental Protection Agency and the
15 Secretary of Transportation, to reduce long-du-
16 ration idling of such vehicle at a motor vehicle
17 rest stop or other location where such vehicles
18 are temporarily parked or remain stationary.

19 “(2) HEAVY-DUTY DIESEL-POWERED ON-HIGH-
20 WAY VEHICLE.—The term ‘heavy-duty diesel-pow-
21 ered on-highway vehicle’ means any vehicle, ma-
22 chine, tractor, trailer, or semi-trailer propelled or
23 drawn by mechanical power and used upon the high-
24 ways in the transportation of passengers or prop-

1 erty, or any combination thereof determined by the
 2 Federal Highway Administration.

3 “(3) LONG DURATION IDLING.—The term ‘long
 4 duration idling’ means the operation of a main drive
 5 engine, for a period greater than 15 consecutive
 6 minutes, where the main drive engine is not engaged
 7 in gear. Such term does not apply to routine stop-
 8 pages associated with traffic movement or conges-
 9 tion.

10 “(4) QUALIFYING IDLE REDUCTION INFRA-
 11 STRUCTURE.—The term ‘qualifying idle reduction
 12 infrastructure’ means off-truck equipment—

13 “(A) which is to be used exclusively with
 14 respect to vehicles with a gross vehicle weight
 15 rating of 14,000 pounds or greater; and

16 “(B) which either—

17 “(i) is used to supply electric power,
 18 including electric receptacles, boxes, wir-
 19 ing, conduit, and other connections to one
 20 truck space; or

21 “(ii) directly provides air conditioning,
 22 heating, electric power, and other connec-
 23 tions and services to one truck space.

24 “(d) NO DOUBLE BENEFIT.—For purposes of this
 25 section—

1 “(1) REDUCTION IN BASIS.—If a credit is de-
2 termined under this section with respect to any
3 property by reason of expenditures described in sub-
4 section (a), the basis of such property shall be re-
5 duced by the amount of the credit so determined.

6 “(2) OTHER DEDUCTIONS AND CREDITS.—No
7 deduction or credit shall be allowed under any other
8 provision of this chapter with respect to the amount
9 of the credit determined under this section.

10 “(e) ELECTION NOT TO CLAIM CREDIT.—This sec-
11 tion shall not apply to a taxpayer for any taxable year
12 if such taxpayer elects to have this section not apply for
13 such taxable year.

14 “(f) TERMINATION.—This section shall not apply to
15 any property placed in service after December 31, 2014.”.

16 (b) CREDIT TO BE PART OF GENERAL BUSINESS
17 CREDIT.—Subsection (b) of section 38 of the Internal
18 Revenue Code of 1986 (relating to general business credit)
19 is amended by striking “plus” at the end of paragraph
20 (35), by striking the period at the end of paragraph (36)
21 and inserting “, plus”, and by adding at the end the fol-
22 lowing new paragraph:

23 “(37) the idling reduction tax credit determined
24 under section 45S(a).”.

25 (c) CONFORMING AMENDMENTS.—

1 (1) The table of sections for subpart D of part
2 IV of subchapter A of chapter 1 of the Internal Rev-
3 enue Code of 1986 is amended by inserting after the
4 item relating to section 45R the following new item:

“Sec. 45S. Idling reduction credit.”.

5 (2) Section 1016(a) of such Code is amended
6 by striking “and” at the end of paragraph (36), by
7 striking the period at the end of paragraph (37) and
8 inserting “, and”, and by adding at the end the fol-
9 lowing:

10 “(38) in the case of a facility with respect to
11 which a credit was allowed under section 45S, to the
12 extent provided in section 45S(d)(1).”.

13 (3) Section 6501(m) of such Code is amended
14 by inserting “45S(e),” after “45H(g),”.

15 (d) EFFECTIVE DATE.—The amendments made by
16 this section shall apply to taxable years beginning after
17 the date of the enactment of this Act.

18 (e) DETERMINATION OF CERTIFICATION STANDARDS
19 BY SECRETARY OF ENERGY FOR CERTIFYING IDLING RE-
20 DUCTION DEVICES.—Not later than 6 months after the
21 date of the enactment of this Act and in order to reduce
22 air pollution and fuel consumption, the Secretary of En-
23 ergy, in consultation with the Administrator of the Envi-
24 ronmental Protection Agency and the Secretary of Trans-
25 portation, shall publish the standards under which the

1 Secretary, in consultation with the Administrator of the
2 Environmental Protection Agency and the Secretary of
3 Transportation, will, for purposes of section 45S of the
4 Internal Revenue Code of 1986 (as added by this section),
5 certify the idling reduction devices and idling reduction in-
6 frastructure which will reduce long duration idling of vehi-
7 cles at motor vehicle rest stops or other locations where
8 such vehicles are temporarily parked or remain stationary
9 in order to reduce air pollution and fuel consumption.

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