

112TH CONGRESS
1ST SESSION

S. 26

To amend the Internal Revenue Code of 1986 to repeal the percentage depletion allowance for certain hardrock mines, and to use the resulting revenues from such repeal for deficit reduction.

IN THE SENATE OF THE UNITED STATES

JANUARY 25 (legislative day, JANUARY 5), 2011

Mrs. SHAHEEN 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 repeal the percentage depletion allowance for certain hardrock mines, and to use the resulting revenues from such repeal for deficit reduction.

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 “Elimination of Double
5 Subsidies for the Hardrock Mining Industry Act of 2011”.

1 **SEC. 2. REPEAL OF PERCENTAGE DEPLETION ALLOWANCE**
2 **FOR CERTAIN HARDROCK MINES.**

3 (a) **IN GENERAL.**—Section 613(a) of the Internal
4 Revenue Code of 1986 is amended by inserting “(other
5 than hardrock mines located on lands subject to the gen-
6 eral mining laws or on land patented under the general
7 mining laws)” after “In the case of the mines”.

8 (b) **GENERAL MINING LAWS DEFINED.**—Section 613
9 of the Internal Revenue Code of 1986 is amended by add-
10 ing at the end the following:

11 “(f) **GENERAL MINING LAWS.**—For purposes of sub-
12 section (a), the term ‘general mining laws’ means those
13 Acts which generally comprise chapters 2, 12A, and 16,
14 and sections 161 and 162 of title 30 of the United States
15 Code.”.

16 (c) **EFFECTIVE DATE.**—The amendments made by
17 this section shall apply to taxable years beginning after
18 December 31, 2011.

19 (d) **USE OF RESULTING REVENUES FOR DEFICIT**
20 **REDUCTION.**—The revenues resulting from the amend-
21 ment made by subsection (a) shall not be appropriated or
22 otherwise made available for any fiscal year, resulting in
23 a reduction of the Federal budget deficit for such fiscal
24 year. If in any fiscal year there is no Federal budget def-
25 icit (determined without regard to such revenues), such
26 revenues shall be used for reducing the Federal debt in

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- 1 such manner as the Secretary of the Treasury considers
- 2 appropriate.

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