

Provision	Effective	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2004-08	2004-13
3. Modifications to small ethanol producer credit	tyba 12/31/03	-9	-17	-19	-20	-21	-22	-23	-14	-4	---	-85	-148
4. Provide income tax credits for biodiesel fuel and biodiesel used to produce a qualified fuel mixture (\$1.00/gallon for agribiodiesel and \$0.50/gallon for biodiesel) (sunset 12/31/05) [5]	fpasoua 12/31/03	----- Revenue Effects Included in Item #5.c. -----											
5. Alcohol and biodiesel excise tax credit and extension of alcohol fuels income tax credit													
a. Extension of section 40 alcohol fuels income tax credit (sunset 12/31/10)	fsuora 12/31/03	---	---	---	---	-6	-13	-15	-10	-3	---	-6	-47
b. Provide excise tax credit to certain blenders of alcohol fuel mixtures (52 cents per gallon of alcohol in 2004, 51 cents per gallon of alcohol after 2004) (sunset 12/31/10)	fsuora 12/31/03	----- Negligible Revenue Effect -----											
c. Provide excise tax credit for biodiesel used to produce a qualified fuel mixture (\$1.00/gallon for agribiodiesel and \$0.50/gallon for biodiesel) (sunset 12/31/05) [5]	fsuora 12/31/03	-26	-41	-12	---	---	---	---	---	---	---	-79	-79
6. Nonapplication of export exemption to delivery of fuel to motor vehicles removed from the United States	soda DOE	----- Negligible Revenue Effect -----											
7. Modification of credit for electric vehicles - repeal phasedown of the credit under section 30 (sunset 12/31/06)	ppisa DOE	----- Revenue Effects Included in Item #8. -----											
8. Alternative motor vehicle credit [6]	ppisa DOE	-190	-462	-714	-439	-256	-174	41	10	-20	-23	-2,061	-2,228
9. Modification and extension of deduction for refueling property through 2008 (through 2011 for hydrogen property)	ppisa DOE	----- Revenue Effects Included in Item #8. -----											
Total of Conservation Provisions		-558	-1,249	-1,694	-1,459	-1,057	-811	-487	-483	-567	-599	-6,019	-8,963
Reliability Provisions													
1. Natural gas gathering pipelines treated as 7-year property	ppisa DOE	---	-2	-3	-2	-2	-2	-1	-1	-1	-1	-9	-16
2. Natural gas distribution pipelines treated as 15-year property	ppisa DOE	-11	-34	-57	-87	-117	-143	-169	-197	-226	-240	-306	-1,281
3. New electricity transmission property rated 69kV or greater treated as 15-year property [7]	ppisa DOE	-9	-24	-51	-90	-131	-165	-196	-229	-264	-303	-306	-1,462
4. Expensing of capital costs incurred for production of diesel fuel in complying with Environmental Protection Agency sulfur regulations for small refiners (sunset one year after EPA regulation or 12/31/09)	epoia 12/31/02	-7	-5	-6	-10	-21	-41	-16	2	3	4	-49	-98
5. Credit for small refiners for production of diesel fuel in compliance with Environmental Protection Agency sulfur regulations for small refiners	epoia 12/31/02	----- Revenue Effects Included in Item #4. -----											
6. Determination of small refiner exception to oil depletion deduction - modify definition of independent refiner from daily maximum run less than 50,000 barrels to average daily run less than 67,500 barrels	tyea DOE	-9	-12	-12	-13	-13	-13	-14	-14	-14	-15	-57	-127

Provision	Effective	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2004-08	2004-13
7. Sales or dispositions of transmission property to implement Federal Energy Regulatory Commission or State restructuring policy - election to recognize gain from an electric transmission transaction ratably over 8-year period subject to qualified reinvestment (sunset 12/31/06)	ta DOE	-1,691	-1,717	-1,313	184	952	969	980	955	706	380	-3,536	403
8. Modification to special rules for nuclear decommissioning costs - permits transfer of pre-1984 decommissioning costs to qualified fund (seller gets deduction on sale); eliminate cost of service requirement, permit full funding in qualified fund, and clarify treatment of fund transfers; modify for fund transfer by tax-exempt entities	tyba 12/31/03	-86	-181	-198	-186	-167	-151	-139	-129	-117	-108	-818	-1,462
9. Treatment of certain income of electric cooperatives	tyba DOE	-8	-18	-21	-23	-25	-27	-30	-33	-35	-38	-95	-258
10. Exempt certain prepayments for natural gas from tax-exempt bond arbitrage rules	oia DOE	[2]	-1	-2	-3	-4	-4	-5	-7	-8	-9	-10	-43
Total of Reliability Provisions		-1,821	-1,994	-1,663	-230	472	423	410	347	44	-330	-5,186	-4,344
Production Provisions													
A. Oil and Gas Provisions													
1. Credit for marginal domestic oil and natural gas well production - 5-year carryback	pi tyba 12/31/03	----- <i>No Revenue Effect</i> -----											
2. Net income limitation on percentage depletion for oil and gas property and suspension of limitation based on 65% of taxable income:													
a. Temporary suspension of limitation based on 65% of taxable income (through 12/31/04)	tyba 12/31/03	-112	-60	---	---	---	---	---	---	---	---	-172	-172
b. Extension of suspension of 100% of taxable income limit with respect to marginal production (through 12/31/04)	tyba 12/31/03	-22	-12	---	---	---	---	---	---	---	---	-34	-34
3. Amortize all delay rental payments over 2 years	apoi tyba DOE	85	11	-64	-62	-35	-9	-1	-1	-1	-1	-65	-77
4. Amortize all geological and geophysical expenditures over 2 years	apoi tyba DOE	234	-212	-449	-428	-320	-261	-226	-194	-188	-194	-1,175	-2,238
5. Extension and modification of section 29 credit for producing fuel from a non-conventional source (placed in service through 12/31/06) [8]	fsqfa 12/31/03	-101	-306	-605	-852	-806	-374	-80	-10	17	29	-2,670	-3,089
B. Alternative Minimum Tax Provisions													
1. Allow personal energy credits against the alternative minimum tax	tyba 12/31/03	-1	-6	-9	-11	-6	-6	---	---	---	---	-33	-39
2. Increase tax limitation on use of business energy credits [9]:													
a. Credits for new energy efficient homes, energy efficient appliances, low sulfur diesel fuel, and oil and gas from marginal wells	tyea DOE	-47	-32	-8	26	33	19	8	2	---	---	-28	---
b. Enhanced oil recovery credit (for 2004 and 2005)	tyba 12/31/03	-88	-137	-40	13	13	12	11	11	10	10	-239	-185
c. All section 40 credits	tyba 12/31/03	----- <i>Revenue Effects Included in Conservation, Item #B.3.</i> -----											
3. Temporary repeal of alternative minimum tax intangible drilling costs preference (sunset 12/31/05)	tyba 12/31/03	-33	-49	-10	9	8	7	7	6	5	5	-75	-44

Provision	Effective	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2004-08	2004-13
C. Clean Coal Incentives													
1. 15% investment tax credit for clean coal facilities subject to 4,000Mw allocation cap (sunset 12/31/13)	ppisa DOE	-10	-21	-15	-7	1	5	5	5	3	2	-52	-31
2. Investment credit for advanced clean coal technology - 17.5% investment tax credit for advanced clean coal facilities subject to 6,000Mw allocation cap (sunset 12/31/16)	ppisa DOE	-8	-93	-191	-145	-78	-460	-218	25	23	22	-515	-1,123
3. Amortization of pollution control facilities:													
a. 60-month amortization of qualified pollution control devices installed in post-1975 plants	ppisa DOE	-13	-22	-38	-59	-77	-90	-98	-103	-105	-108	-208	-712
b. 36-month amortization of qualified pollution control devices installed in pre-1976 plants	ppisa DOE	-16	-29	-42	-43	-36	-24	-13	-10	-16	-22	-165	-249
4. Integrated gasification combined-cycle advanced clean coal facilities eligible for 5-year MACRS property limited to facilities that receive investment tax credit	ppisa DOE	---	-1	-8	-28	-45	-45	-68	-102	-75	-31	-81	-401
D. High Volume Natural Gas Provisions													
1. New high volume natural gas pipelines treated as 7-year property	ppisa DOE	-3	-11	-21	-29	-34	-37	-40	-133	-338	-429	-98	-1,076
2. Enhanced oil recovery credit for certain gas processing facilities	cpoi tyba 12/31/03	---	---	---	---	-32	-91	-101	-61	-23	1	-32	-306
Total of Production Provisions		-135	-980	-1,500	-1,616	-1,414	-1,354	-814	-565	-688	-716	-5,642	-9,776
Additional Provisions													
1. Extension of tax incentives for energy-related business on Indian reservations (through 12/31/05)	DOE	1	-65	-117	-45	8	30	47	38	21	2	-218	-80
2. Payment of dividends on stock of cooperatives without reducing patronage dividends	dmi tyea DOE	[4]	[4]	-1	-1	-1	-1	-2	-2	-3	-4	-3	-14
3. Distributions from publicly traded partnerships treated as qualifying income for regulated investment companies	tyba DOE	-1	-3	-4	-5	-6	-6	-6	-7	-8	-8	-19	-54
4. Suspension of duties on ceiling fans (sunset 12/31/05) [10]	DOE	-18	-23	-6	---	---	---	---	---	---	---	-48	-48
5. Suspension of duties on nuclear steam generators (sunset 12/31/08) and nuclear reactor vessel heads (sunset 12/31/07) [10]	DOE	---	-1	-1	-3	-3	-1	---	---	---	---	-7	-8
6. Brownfields demonstration program for qualified green building and sustainable design projects (\$2 billion allocation) (sunset 9/30/09)	oia DOE	-3	-8	-14	-19	-24	-29	-32	-33	-33	-33	-68	-227
Total of Additional Provisions		-21	-100	-143	-73	-26	-7	7	-4	-23	-43	-363	-431
NET TOTAL		-2,535	-4,323	-5,000	-3,378	-2,025	-1,749	-884	-705	-1,234	-1,688	-17,210	-23,514

Joint Committee on Taxation

NOTE: Details may not add to totals due to rounding. Date of enactment is assumed to be December 1, 2003.

[Legend and Footnotes for JCX-101-03 appear on the following page]

Legend and Footnotes for JCX-101-03:

Legend for "Effective" column:

apoi = amounts paid or incurred in
apa = appliances produced after
cpoi = costs paid or incurred in
dmi = distributions made in
DOE = date of enactment
ea = expenditures after
epoi = expenses paid or incurred after

esqfa = electricity sold from qualifying facilities after
fpasoua = fuel produced and sold or used after
fsuora = fuel sold, used, or removed after
fsqfa = fuel sold from qualifying facilities after
hpa = homes purchased after
oia = obligation issued after
pa = production after

pi = production in
pia = property installed after
ppisa = property placed in service after
soda = sales or deliveries after
ta = transactions after
tyba = taxable years beginning after
tyea = taxable years ending after

- [1] Gain of less than \$1 million.
- [2] Loss of less than \$1 million.
- [3] The Leaking Underground Storage Tank excise tax of 0.1 cents per gallon is retained.
- [4] Loss of less than \$500,000.
- [5] This provision may also have indirect effects on Federal outlays for certain farm programs. Outlay effects are estimated by the Congressional Budget Office.
- [6] Estimate includes AMT relief for alternative motor vehicles.
- [7] Estimates include the interaction with non-tax Conference provisions that are intended to increase investment in electric transmission property.
- [8] Qualified facilities are given credit for four years of production (five years in the case of refined coal). Placed in service before 1/1/08 for refined coal.
- [9] Estimates of changes related to the section 45 credit and the AMT are reflected in the provision in the table relating to the section 45 credit.
- [10] Estimate is provided by the Congressional Budget Office.