

AMENDMENT TO SENATE AMENDMENTS TO H.R.

22

OFFERED BY MR. BLUMENAUER OF OREGON

Page 11, insert after the item relating to section 51203 the following new item:

“Sec. 51024. Additional tax on motor fuels.”.

Page 895, after line 13, insert the following:

1 SEC. 51204. ADDITIONAL TAX ON MOTOR FUELS.

2 (a) GASOLINE OTHER THAN AVIATION GASOLINE.—

3 Section 4081(a)(2)(A)(i) of the Internal Revenue Code of
4 1986 is amended to read as follows:

5 (i) in the case of gasoline other than
6 aviation gasoline—

7 (I) for tax imposed before 2016,
8 18.3 cents per gallon,

9 (II) for tax imposed during
10 2016, 26.3 cents per gallon,

11 (III) for tax imposed during
12 2017, 30.3 cents per gallon, and

13 (IV) for tax imposed after 2017
14 and before 2028, 33.3 cents per gal-
15 lon.”.

1 (b) DIESEL FUEL OR KEROSENE.—Section
2 4081(a)(2)(A)(iii) of such Code is amended to read as fol-
3 lows:

4 “(iii) in the case of diesel fuel or ker-
5 osene—

6 “(I) for tax imposed before 2016,
7 24.3 cents per gallon,

8 “(II) for tax imposed during
9 2016, 32.3 cents per gallon,

10 “(III) for tax imposed during
11 2017, 36.3 cents per gallon, and

12 “(IV) for tax imposed after 2017
13 and before 2027, 39.3 cents per gal-
14 lon.”.

15 (c) INCREASE FOR INFLATION.—Paragraph (2) of
16 section 4081(a) of such Code is amended by adding at
17 the end the following:

18 “(E) ADJUSTMENT FOR INFLATION.—In
19 the case of any calendar year beginning after
20 2017, the rates of tax contained in clauses
21 (i)(IV) and (iii)(IV) of subparagraph (A) shall
22 each be increased by an amount equal to—

23 “(i) such rate, multiplied by

24 “(ii) the cost of living adjustment de-
25 termined under section 1(f)(3) for the cal-

1 endar year, determined by substituting
2 ‘calendar year 2016’ for ‘calendar year
3 1992’ in subparagraph (B) thereof.

4 Any increase under the preceding sentence shall
5 be rounded to the nearest 0.1 cents.”.

6 (d) DIESEL-WATER FUEL EMULSION.—Section
7 4081(a)(2)(D) of such Code is amended by striking “19.7
8 cents” for “24.3 cents” and inserting “a rate equal to 71
9 percent of the rate in effect under subparagraph (A)
10 (without regard to this subparagraph)”.

11 (e) TERMINATION.—Section 4081(d)(1) of such Code
12 is amended by striking “September 30, 2016” and insert-
13 ing “December 31, 2026”.

14 (f) ALLOCATION IN ACCOUNTS IN HIGHWAY TRUST
15 FUND.—

16 (1) IN GENERAL.—Section 9503(e)(2)(A) of
17 such Code is amended to read as follows:

18 “(A) except as otherwise provided in this
19 sentence—

20 “(i) 2.86 cents per gallon with respect
21 to taxes imposed during calendar year
22 2015,

23 “(ii) 3.86 cents per gallon with re-
24 spect to taxes imposed during calendar
25 year 2016,

1 “(iii) 4.86 cents per gallon with re-
2 spect to taxes imposed during calendar
3 year 2017, and

4 “(iv) 5.86 cents per gallon with re-
5 spect to taxes imposed after calendar year
6 2017.”.

7 (2) ADJUSTMENT FOR INFLATION.—Section
8 9503(e) of such Code is amended by adding at the
9 end the following new paragraph:

10 “(6) ADJUSTMENT FOR INFLATION.—In the
11 case of any calendar year beginning after 2017, the
12 rate of tax contained in paragraph (2)(A)(iv) shall
13 be increased by an amount equal to—

14 “(A) such rate, multiplied by

15 “(B) the cost of living adjustment deter-
16 mined under section 1(f)(3) for the calendar
17 year, determined by substituting ‘calendar year
18 2016’ for ‘calendar year 1992’ in subparagraph
19 (B) thereof.

20 Any increase under the preceding sentence shall be
21 rounded to the nearest 0.1 cents.”.

22 (g) EFFECTIVE DATE.—The amendments made by
23 this section shall apply to fuels or liquids removed, en-
24 tered, or sold after December 31, 2015.

25 (h) FLOOR STOCKS TAX.—

1 (1) IMPOSITION OF TAX.—In the case of any
2 taxable liquid which is held on the floor stocks tax
3 date by any person, there is hereby imposed a floor
4 stocks tax equal to the excess of the tax which would
5 be imposed on such liquid under section 4041 or
6 4081 of the Internal Revenue Code of 1986 had the
7 taxable event occurred on the floor stocks tax date
8 over the tax paid under any such section on such liq-
9 uid.

10 (2) LIABILITY FOR TAX AND METHOD OF PAY-
11 MENT.—

12 (A) LIABILITY FOR TAX.—A person hold-
13 ing a liquid on the floor stocks tax date to
14 which the tax imposed by paragraph (1) applies
15 shall be liable for such tax.

16 (B) METHOD OF PAYMENT.—The tax im-
17 posed by paragraph (1) shall be paid in such
18 manner as the Secretary shall prescribe.

19 (C) TIME OF PAYMENT.—The tax imposed
20 by paragraph (1) shall be paid on or before the
21 date which is 6 months after the floor stocks
22 tax date.

23 (3) DEFINITIONS.—For purposes of this sec-
24 tion—

1 (A) HELD BY A PERSON.—A liquid shall
2 be considered as held by a person if title thereto
3 has passed to such person (whether or not de-
4 livery to the person has been made).

5 (B) TAXABLE LIQUID.—The term “taxable
6 liquid” means diesel fuel and kerosene (other
7 than aviation-grade kerosene).

8 (C) FLOOR STOCKS DATE.—The term
9 “floor stocks tax date” means any January 1 of
10 any calendar year beginning after the date of
11 the enactment of this Act on which a rate of
12 tax under section 4041 or 4081 of such Code
13 increases pursuant to an amendment made by
14 this section.

15 (D) SECRETARY.—The term “Secretary”
16 means the Secretary of the Treasury.

17 (4) EXCEPTION FOR EXEMPT USES.—The tax
18 imposed by paragraph (1) shall not apply to taxable
19 liquid held by any person exclusively for any use to
20 the extent a credit or refund of the tax imposed by
21 a section of such Code is allowable for such use.

22 (5) EXCEPTION FOR FUEL HELD IN VEHICLE
23 TANK.—No tax shall be imposed by paragraph (1)
24 on taxable liquid held in the tank of a motor vehicle
25 or motorboat.

1 (6) EXCEPTION FOR CERTAIN AMOUNTS OF
2 FUEL.—

3 (A) IN GENERAL.—No tax shall be im-
4 posed by paragraph (1) on any liquid held on
5 the floor stocks tax date by any person if the
6 aggregate amount of liquid held by such person
7 on such date does not exceed 2,000 gallons.
8 The preceding sentence shall apply only if such
9 person submits to the Secretary (at the time
10 and in the manner required by the Secretary)
11 such information as the Secretary shall require
12 for purposes of this paragraph.

13 (B) EXEMPT FUEL.—For purposes of sub-
14 paragraph (A), there shall not be taken into ac-
15 count fuel held by any person which is exempt
16 from the tax imposed by paragraph (1) by rea-
17 son of paragraph (4) or (5).

18 (C) CONTROLLED GROUPS.—For purposes
19 of this subsection—

20 (i) CORPORATIONS.—

21 (I) IN GENERAL.—All persons
22 treated as a controlled group shall be
23 treated as 1 person.

24 (II) CONTROLLED GROUP.—The
25 term “controlled group” has the

1 meaning given to such term by sub-
2 section (a) of section 1563 of such
3 Code; except that for such purposes
4 the phrase “more than 50 percent”
5 shall be substituted for the phrase “at
6 least 80 percent” each place it ap-
7 pears in such subsection.

8 (ii) NONINCORPORATED PERSONS
9 UNDER COMMON CONTROL.—Under regula-
10 tions prescribed by the Secretary, prin-
11 ciples similar to the principles of clause (i)
12 shall apply to a group of persons under
13 common control where one or more of such
14 persons is not a corporation.

15 (7) OTHER LAWS APPLICABLE.—All provisions
16 of law, including penalties, applicable with respect to
17 the taxes imposed by chapter 31 or 32 of such Code
18 shall, insofar as applicable and not inconsistent with
19 the provisions of this section, apply with respect to
20 the floor stock taxes imposed by paragraph (1) to
21 the same extent as if such taxes were imposed by
22 such chapter.

