

107TH CONGRESS
1ST SESSION

S. 1547

To amend the Internal Revenue Code of 1986 to extend and modify the credit for producing fuel from a nonconventional source.

IN THE SENATE OF THE UNITED STATES

OCTOBER 15, 2001

Mr. SHELBY 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 producing fuel from a nonconventional source.

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 “Nonconventional Nat-
5 ural Gas Reliability Act”.

6 **SEC. 2. EXTENSION AND MODIFICATION OF CREDIT FOR**
7 **PRODUCING FUEL FROM A NONCONVEN-**
8 **TIONAL SOURCE.**

9 (a) IN GENERAL.—Section 29 of the Internal Rev-
10 enue Code of 1986 (relating to credit for producing fuel

1 from a nonconventional source) is amended by adding at
 2 the end the following new subsection:

3 “(h) EXTENSION FOR OTHER FACILITIES.—

4 “(1) EXTENSION FOR OIL AND CERTAIN GAS.—

5 In the case of a well for producing qualified fuels de-
 6 scribed in subparagraph (A) or (B)(i) of subsection
 7 (c)(1)—

8 “(A) APPLICATION OF CREDIT FOR NEW
 9 WELLS.—Notwithstanding subsection (f), this
 10 section shall apply with respect to such fuels—

11 “(i) which are produced from a well
 12 drilled after the date of the enactment of
 13 this subsection and before January 1,
 14 2007, and

15 “(ii) which are sold not later than the
 16 close of the 4-year period beginning on the
 17 date that such well is drilled, or, if earlier,
 18 December 31, 2009.

19 “(B) EXTENSION OF CREDIT FOR OLD
 20 WELLS.—Subsection (f)(2) shall be applied by
 21 substituting ‘2007’ for ‘2003’ with respect to
 22 wells described in subsection (f)(1)(A) with re-
 23 spect to such fuels.

24 “(2) EXTENSION PERIOD TO COMMENCE WITH
 25 UNADJUSTED CREDIT AMOUNT.—In determining the

1 amount of credit allowable under this section solely
2 by reason of this subsection—

3 “(A) in the case of fuels sold during 2001
4 and 2002, the dollar amount applicable under
5 subsection (a)(1) shall be \$3 (without regard to
6 subsection (b)(2)), and

7 “(B) in the case of fuels sold after 2002,
8 subparagraph (B) of subsection (d)(2) shall be
9 applied by substituting ‘2002’ for ‘1979’.”.

10 (b) EFFECTIVE DATE.—The amendment made by
11 this section shall apply to fuel sold after the date of the
12 enactment of this Act.

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