

118TH CONGRESS
2D SESSION

H. R. 10314

To amend the Internal Revenue Code of 1986 to establish a National Resilience and Recovery Fund, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 5, 2024

Ms. STANSBURY (for herself, Mr. BLUMENAUER, Mr. KHANNA, Ms. OMAR, Ms. BALINT, Mr. GRIJALVA, Ms. OCASIO-CORTEZ, and Mr. HUFFMAN) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committees on Transportation and Infrastructure, and Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Internal Revenue Code of 1986 to establish a National Resilience and Recovery Fund, 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 “National Resilience
5 and Recovery Fund Act”.

1 **SEC. 2. ESTABLISHMENT OF NATIONAL RESILIENCE AND**
2 **RECOVERY FUND.**

3 (a) NATIONAL RESILIENCE AND RECOVERY FUND.—
4 Subchapter A of chapter 98 of the Internal Revenue Code
5 of 1986 (relating to establishment of trust funds) is
6 amended by adding at the end the following new section:

7 **“SEC. 9512. NATIONAL RESILIENCE AND RECOVERY FUND.**

8 “(a) CREATION OF TRUST FUND.—There is estab-
9 lished in the Treasury of the United States a trust fund
10 to be known as the ‘National Resilience and Recovery
11 Fund’, consisting of such amounts as may be appropriated
12 or credited to such Fund as provided in this section or
13 section 9602(b).

14 “(b) TRANSFERS TO FUND.—There are hereby ap-
15 propriated to the National Resilience and Recovery Fund
16 amounts equivalent to—

17 “(1) taxes received in the Treasury under sec-
18 tion 5901(a) (relating to the excise tax on crude oil
19 and natural gas produced from the outer Conti-
20 nental Shelf in the Gulf of Mexico),

21 “(2) taxes received in the Treasury under sec-
22 tion 4611 (relating to environmental tax on crude oil
23 and petroleum) to the extent attributable to the Na-
24 tional Resilience and Recovery Fund financing rate
25 under section 4611(c), and

1 “(3) taxes received in the Treasury under sec-
2 tion 5896(a) (relating to the excise tax on crude oil
3 windfall profits).

4 “(c) EXPENDITURES.—Amounts in the Fund shall be
5 available, as provided in appropriation Acts, to the Admin-
6 istrator of the Federal Emergency Management Agency
7 to carry out the purposes of the following programs of
8 such Agency:

9 “(1) The Hazard Mitigation Grant Program es-
10 tablished pursuant to section 404 of the Robert T.
11 Stafford Disaster Relief and Emergency Assistance
12 Act (42 U.S.C. 5170c).

13 “(2) The Building Resilient Infrastructure and
14 Communities grant program established pursuant to
15 section 203 of the Robert T. Stafford Disaster Relief
16 and Emergency Assistance Act (42 U.S.C. 5133).

17 “(3) The Safeguarding Tomorrow Revolving
18 Loan Fund Program established pursuant to section
19 205 of the Robert T. Stafford Disaster Relief and
20 Emergency Assistance Act (42 U.S.C. 5135).

21 “(4) The Flood Mitigation Assistance program
22 established pursuant to section 1366 of the Excerpts
23 from the Housing and Urban Development Act of
24 1968 (42 U.S.C. 4104c).”.

1 (b) CLERICAL AMENDMENT.—The table of sections
2 for subchapter A of chapter 98 of such Code is amended
3 by adding after the item relating to section 9511 the fol-
4 lowing new item:

“Sec. 9512. National Resilience and Recovery Fund.”

5 (c) EFFECTIVE DATE.—The amendments made by
6 this section shall take effect on January 1, 2025.

7 **SEC. 3. CLARIFICATION OF TAR SANDS AND OIL SHALE AS**
8 **CRUDE OIL FOR EXCISE TAX PURPOSES.**

9 (a) IN GENERAL.—Paragraph (1) of section 4612(a)
10 of the Internal Revenue Code of 1986 is amended to read
11 as follows:

12 “(1) CRUDE OIL.—The term ‘crude oil’ includes
13 crude oil condensates, natural gasoline, any bitumen
14 or bituminous mixture, any oil derived from a bitu-
15 men or bituminous mixture (including oil derived
16 from tar sands), and any oil derived from kerogen-
17 bearing sources (including oil derived from oil
18 shale).”.

19 (b) REGULATORY AUTHORITY TO ADDRESS OTHER
20 TYPES OF CRUDE OIL AND PETROLEUM PRODUCTS.—
21 Subsection (a) of section 4612 of such Code is amended
22 by adding at the end the following new paragraph:

23 “(10) REGULATORY AUTHORITY TO ADDRESS
24 OTHER TYPES OF CRUDE OIL AND PETROLEUM
25 PRODUCTS.—Under such regulations as the Sec-

1 retary may prescribe, the Secretary may include as
2 crude oil or as a petroleum product subject to tax
3 under section 4611, any fuel feedstock or finished
4 fuel product customarily transported by pipeline,
5 vessel, railcar, or tanker truck if the Secretary deter-
6 mines that—

7 “(A) the classification of such fuel feed-
8 stock or finished fuel product is consistent with
9 the definition of oil under the Oil Pollution Act
10 of 1990, and

11 “(B) such fuel feedstock or finished fuel
12 product is produced in sufficient commercial
13 quantities as to pose a significant risk of haz-
14 ard in the event of a discharge.”.

15 (c) **TECHNICAL AMENDMENT.**—Paragraph (2) of sec-
16 tion 4612(a) of such Code is amended by striking “from
17 a well located”.

18 (d) **EFFECTIVE DATE.**—The amendments made by
19 this section shall take effect on the date of the enactment
20 of this Act.

21 **SEC. 4. ADDITIONAL EXCISE TAX ON CRUDE OIL AND IM-**
22 **PORTED PETROLEUM PRODUCTS.**

23 (a) **IN GENERAL.**—Section 4611(c) of the Internal
24 Revenue Code of 1986 is amended—

1 (1) in paragraph (1), by striking “and” at the
2 end of subparagraph (A), by striking the period at
3 the end of subparagraph (B) and inserting “, and”,
4 and by adding at the end the following new subpara-
5 graph:

6 “(C) the National Resilience and Recovery
7 Fund financing rate.”,

8 (2) in paragraph (2), by striking “and” at the
9 end of subparagraph (A), by striking the period at
10 the end of subparagraph (B) and inserting “, and”,
11 and by adding at the end the following new subpara-
12 graph:

13 “(C) the National Resilience and Recovery
14 Fund financing rate is 10 cents a barrel.”, and

15 (3) in paragraph (3), by striking “the amount
16 in paragraph (2)(A)” and inserting “the amounts in
17 subparagraphs (A) and (C) of paragraph (2)”.

18 (b) EFFECTIVE DATE.—The amendments made by
19 this section shall apply to taxable years beginning after
20 December 31, 2024.

21 **SEC. 5. WINDFALL PROFITS TAX.**

22 (a) IN GENERAL.—Subtitle E of the Internal Rev-
23 enue Code of 1986 is amended by adding at the end there-
24 of the following new chapter:

1 **“CHAPTER 56—WINDFALL PROFITS ON**
 2 **CRUDE OIL**

“Sec. 5896. Imposition of tax.

“Sec. 5897. Definitions and special rules.

3 **“SEC. 5896. IMPOSITION OF TAX.**

4 “(a) IN GENERAL.—In addition to any other tax im-
 5 posed under this title, in each calendar quarter there is
 6 hereby imposed on any covered taxpayer an excise tax at
 7 the rate determined under subsection (b) on—

8 “(1) each barrel of taxable crude oil extracted
 9 by the taxpayer within the United States and re-
 10 moved from the property of such taxpayer during
 11 the calendar quarter, and

12 “(2) each barrel of taxable crude oil entered
 13 into the United States during the calendar quarter
 14 by the taxpayer for consumption, use, or
 15 warehousing.

16 “(b) RATE OF TAX.—

17 “(1) IN GENERAL.—The rate of tax imposed by
 18 this section on any barrel of taxable crude oil for
 19 any calendar quarter is the product of—

20 “(A) 50 percent, and

21 “(B) the excess (if any) of—

22 “(i) the average price of a barrel of
 23 Brent crude oil over the covered calendar
 24 quarter, over

1 “(ii) the average price of a barrel of
2 Brent crude oil over the period beginning
3 on January 1, 2015, and ending on De-
4 cember 31, 2019.

5 “(2) INFLATION ADJUSTMENT.—

6 “(A) IN GENERAL.—In the case of a cal-
7 endar quarter beginning in any taxable year be-
8 ginning after 2025, the amount determined
9 under paragraph (1)(B)(ii) shall be increased
10 by an amount equal to—

11 “(i) such dollar amount, multiplied by

12 “(ii) the cost-of-living adjustment de-
13 termined under section 1(f)(3) for the cal-
14 endar year in which the taxable year be-
15 gins, determined by substituting ‘2024’ for
16 ‘2016’ in subparagraph (A)(ii) thereof.

17 “(B) ROUNDING.—If any dollar amount,
18 after being increased under subparagraph (A),
19 is not a multiple of \$0.50, such dollar amount
20 shall be rounded to the next lowest multiple of
21 \$0.01.

22 “(c) FRACTIONAL PART OF BARREL.—In the case of
23 a fraction of a barrel, the tax imposed by subsection (a)
24 shall be the same fraction of the amount of such tax im-
25 posed on the whole barrel.

1 **“SEC. 5897. DEFINITIONS AND SPECIAL RULES.**

2 “(a) DEFINITIONS.—For purposes of this chapter—

3 “(1) COVERED TAXPAYER.—

4 “(A) IN GENERAL.—The term ‘covered
5 taxpayer’ means, with respect to any calendar
6 quarter, any taxpayer if—

7 “(i) the average daily number of bar-
8 rels of taxable crude oil extracted and im-
9 ported by the taxpayer for calendar year
10 2023 exceeded 300,000 barrels, or

11 “(ii) the average daily number of bar-
12 rels of taxable crude oil extracted and im-
13 ported by the taxpayer for the calendar
14 quarter exceeds 300,000.

15 “(B) AGGREGATION RULES.—All persons
16 treated as a single employer under subsection
17 (a) or (b) of section 52 or subsection (m) or (o)
18 of section 414 shall be treated as one person for
19 purposes of paragraph (1).

20 “(2) TAXABLE CRUDE OIL.—The term ‘taxable
21 crude oil’ includes crude oil, crude oil condensates,
22 and natural gasoline.

23 “(3) BARREL.—The term ‘barrel’ means 42
24 United States gallons.

1 “(4) UNITED STATES.—The term ‘United
2 States’ has the same meaning given such term under
3 section 4612.

4 “(b) WITHHOLDING AND DEPOSIT OF TAX.—The
5 Secretary shall provide such rules as are necessary for the
6 withholding and deposit of the tax imposed under section
7 5896 on any taxable crude oil.

8 “(c) RECORDS AND INFORMATION.—Each taxpayer
9 liable for tax under section 5896 shall keep such records,
10 make such returns, and furnish such information (to the
11 Secretary and to other persons having an interest in the
12 taxable crude oil) with respect to such oil as the Secretary
13 may by regulations prescribe.

14 “(d) RETURN OF WINDFALL PROFIT TAX.—The Sec-
15 retary shall provide for the filing and the time of such
16 filing of the return of the tax imposed under section 5896.

17 “(e) REGULATIONS.—The Secretary shall prescribe
18 such regulations as may be necessary or appropriate to
19 carry out the purposes of this chapter.”.

20 (b) CLERICAL AMENDMENT.—The table of chapters
21 for subtitle E of the Internal Revenue Code of 1986 is
22 amended by adding at the end the following new item:

“CHAPTER 56. WINDFALL PROFIT ON CRUDE OIL.”.

23 (c) EFFECTIVE DATE.—

24 (1) IN GENERAL.—The amendments made by
25 this section shall apply to crude oil removed or en-

1 tered after December 31, 2024, in calendar quarters
2 ending after such date.

3 (2) SPECIAL RULE FOR QUARTERS DURING
4 2025.—In the case of any calendar quarter ending in
5 calendar year 2025, the tax imposed under section
6 5896 shall not be due before March 31, 2026.

7 **SEC. 6. TAX ON CRUDE OIL AND NATURAL GAS PRODUCED**
8 **FROM THE OUTER CONTINENTAL SHELF IN**
9 **THE GULF OF MEXICO.**

10 (a) IN GENERAL.—Subtitle E of the Internal Rev-
11 enue Code of 1986 is amended by adding at the end the
12 following new chapter:

13 **“CHAPTER 57—TAX ON SEVERANCE OF**
14 **CRUDE OIL AND NATURAL GAS FROM**
15 **THE OUTER CONTINENTAL SHELF IN**
16 **THE GULF OF MEXICO**

“Sec. 5901. Imposition of tax.

“Sec. 5902. Taxable crude oil or natural gas and removal price.

“Sec. 5903. Special rules and definitions.

17 **“SEC. 5901. IMPOSITION OF TAX.**

18 “(a) IN GENERAL.—In addition to any other tax im-
19 posed under this title, there is hereby imposed a tax equal
20 to 13 percent of the removal price of any taxable crude
21 oil or natural gas removed from the premises during any
22 taxable period.

23 “(b) CREDIT FOR FEDERAL ROYALTIES PAID.—

1 “(1) IN GENERAL.—Except as otherwise pro-
2 vided in this subsection, the term ‘removal price’
3 means—

4 “(A) in the case of taxable crude oil, the
5 amount for which a barrel of such crude oil is
6 sold, and

7 “(B) in the case of taxable natural gas, the
8 amount per 1,000 cubic feet for which such
9 natural gas is sold.

10 “(2) SALES BETWEEN RELATED PERSONS.—In
11 the case of a sale between related persons, the re-
12 moval price shall not be less than the constructive
13 sales price for purposes of determining gross income
14 from the property under section 613.

15 “(3) OIL OR NATURAL GAS REMOVED FROM
16 PROPERTY BEFORE SALE.—If crude oil or natural
17 gas is removed from the property before it is sold,
18 the removal price shall be the constructive sales
19 price for purposes of determining gross income from
20 the property under section 613.

21 “(4) REFINING BEGUN ON PROPERTY.—If the
22 manufacture or conversion of crude oil into refined
23 products begins before such oil is removed from the
24 property—

1 “(A) such oil shall be treated as removed
2 on the day such manufacture or conversion be-
3 gins, and

4 “(B) the removal price shall be the con-
5 structive sales price for purposes of determining
6 gross income from the property under section
7 613.

8 “(5) PROPERTY.—The term ‘property’ has the
9 meaning given such term by section 614.

10 **“SEC. 5903. SPECIAL RULES AND DEFINITIONS.**

11 “(a) ADMINISTRATIVE REQUIREMENTS.—

12 “(1) WITHHOLDING AND DEPOSIT OF TAX.—
13 The Secretary shall provide for the withholding and
14 deposit of the tax imposed under section 5901 on a
15 quarterly basis.

16 “(2) RECORDS AND INFORMATION.—Each tax-
17 payer liable for tax under section 5901 shall keep
18 such records, make such returns, and furnish such
19 information (to the Secretary and to other persons
20 having an interest in the taxable crude oil or natural
21 gas) with respect to such oil as the Secretary may
22 by regulations prescribe.

23 “(3) TAXABLE PERIODS; RETURN OF TAX.—

1 “(A) TAXABLE PERIOD.—Except as pro-
2 vided by the Secretary, each calendar year shall
3 constitute a taxable period.

4 “(B) RETURNS.—The Secretary shall pro-
5 vide for the filing, and the time for filing, of the
6 return of the tax imposed under section 5901.

7 “(b) DEFINITIONS.—For purposes of this chapter—

8 “(1) PRODUCER.—The term ‘producer’ means
9 the holder of the economic interest with respect to
10 the crude oil or natural gas.

11 “(2) CRUDE OIL.—The term ‘crude oil’ includes
12 crude oil condensates and natural gasoline.

13 “(3) PREMISES AND CRUDE OIL PRODUCT.—
14 The terms ‘premises’ and ‘crude oil product’ have
15 the same meanings as when used for purposes of de-
16 termining gross income from the property under sec-
17 tion 613.

18 “(c) ADJUSTMENT OF REMOVAL PRICE.—In deter-
19 mining the removal price of oil or natural gas from a prop-
20 erty in the case of any transaction, the Secretary may ad-
21 just the removal price to reflect clearly the fair market
22 value of oil or natural gas removed.

23 “(d) REGULATIONS.—The Secretary shall prescribe
24 such regulations as may be necessary or appropriate to
25 carry out the purposes of this chapter.”.

1 (b) DEDUCTIBILITY OF TAX.—The first sentence of
2 section 164(a) of the Internal Revenue Code of 1986 is
3 amended by inserting after paragraph (4) the following
4 new paragraph:

5 “(5) The tax imposed by section 5901(a) (after
6 application of section 5901(b)) on the severance of
7 crude oil or natural gas from the outer Continental
8 Shelf in the Gulf of Mexico.”.

9 (c) CLERICAL AMENDMENT.—The table of chapters
10 for subtitle E is amended by adding at the end the fol-
11 lowing new item:

“CHAPTER 57. Tax on severance of crude oil and natural gas
from the outer Continental Shelf in the Gulf of
Mexico.”.

12 (d) EFFECTIVE DATE.—The amendments made by
13 this section shall apply to crude oil or natural gas removed
14 after December 31, 2024.

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