

115TH CONGRESS  
1ST SESSION

# H. R. 4636

To amend the Internal Revenue Code of 1986 to extend certain provisions of the renewable energy credit, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

DECEMBER 13, 2017

Ms. SCHAKOWSKY (for herself, Ms. NORTON, Mr. QUIGLEY, Mr. CARTWRIGHT, Ms. LEE, Ms. MCCOLLUM, Mr. NADLER, Mr. POCAN, Ms. SPEIER, Mr. LOEBSACK, Mr. GUTIÉRREZ, Mr. GRIJALVA, Mr. HUFFMAN, Ms. LOFGREN, Mr. TAKANO, Mr. KHANNA, Mr. POLIS, Mr. KENNEDY, Ms. VELÁZQUEZ, and Mr. MCNERNEY) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to extend certain provisions of the renewable energy credit, 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 “Prioritizing Energy-  
5 Efficient Renewables Act of 2017”.

1 **SEC. 2. CERTAIN PROVISIONS OF RENEWABLE ENERGY**  
2 **CREDIT MADE PERMANENT.**

3 (a) WIND.—Section 45(d)(1) of the Internal Revenue  
4 Code of 1986 is amended by striking “, and the construc-  
5 tion of which begins before January 1, 2020”.

6 (b) GEOTHERMAL.—Section 45(d)(4)(B) of such  
7 Code is amended by striking “the construction of which  
8 begins before January 1, 2017” and inserting “is origi-  
9 nally placed in service after October 22, 2004”.

10 (c) HYDROPOWER.—Section 45(d)(9)(A) of such  
11 Code is amended by striking “and before January 1,  
12 2017” both places it appears in clauses (i) and (ii).

13 (d) MARINE.—Section 45(d)(11)(B) of such Code is  
14 amended by striking “and the construction of which be-  
15 gins before January 1, 2017”.

16 (e) CONFORMING AMENDMENT.—Section 45(d)(9) of  
17 such Code is amended by striking subparagraph (C).

18 (f) EFFECTIVE DATE.—The amendments made by  
19 this section shall apply to property placed in service after  
20 December 31, 2016.

21 **SEC. 3. REPEAL OF DEDUCTION FOR INTANGIBLE DRILL-**  
22 **ING AND DEVELOPMENT COSTS IN THE CASE**  
23 **OF OIL AND GAS WELLS.**

24 (a) IN GENERAL.—Section 263(c) of the Internal  
25 Revenue Code of 1986 is amended by adding at the end  
26 the following new sentence: “This subsection shall not

1 apply to amounts paid or incurred in any taxable year be-  
2 ginning after December 31, 2017, by a taxpayer in the  
3 case of oil and gas wells.”.

4 (b) EFFECTIVE DATE.—The amendment made by  
5 this section shall apply to amounts paid or incurred in tax-  
6 able years beginning after December 31, 2017.

7 **SEC. 4. REPEAL OF DEDUCTION FOR OIL AND GAS INCOME**  
8 **ATTRIBUTABLE TO DOMESTIC PRODUCTION**  
9 **ACTIVITIES.**

10 (a) IN GENERAL.—Section 199(c)(4)(B) of the Inter-  
11 nal Revenue Code of 1986 is amended by striking “or”  
12 at the end of clause (ii), by striking the period at the end  
13 of clause (iii) and inserting “, or”, and by inserting after  
14 clause (iii) the following:

15 “(iv) the production, refining, trans-  
16 portation, or distribution of oil, natural  
17 gas, or any primary product (within the  
18 meaning of section 927(a)(2)(C), as in ef-  
19 fect before its repeal).”.

20 (b) CONFORMING AMENDMENT.—Section 199(d) of  
21 such Code is amended by striking paragraph (9) and by  
22 redesignating paragraph (10) as paragraph (9).

23 (c) EFFECTIVE DATE.—The amendments made by  
24 this section shall apply to taxable years beginning after  
25 December 31, 2017.

1 **SEC. 5. REPEAL OF PERCENTAGE DEPLETION FOR OIL AND**  
2 **GAS.**

3 (a) **IN GENERAL.**—Section 611(a) of the Internal  
4 Revenue Code of 1986 is amended by striking “oil and  
5 gas wells”.

6 (b) **CONFORMING AMENDMENTS.**—

7 (1) Section 613 of such Code is amended by  
8 adding at the end the following:

9 “(f) **TERMINATION RELATING TO OIL AND GAS.**—  
10 This section shall not apply with respect to any oil or gas  
11 well in taxable years beginning after December 31,  
12 2017.”.

13 (2) Part I of subchapter I of chapter 1 of the  
14 Internal Revenue Code of 1986 is amended by strik-  
15 ing section 613A (and by striking the item relating  
16 to such section in the table of sections for such  
17 part).

18 (c) **EFFECTIVE DATE.**—The amendments made by  
19 this section shall apply to taxable years beginning after  
20 December 31, 2017.

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