

118TH CONGRESS  
1ST SESSION

# S. 542

To amend the Internal Revenue Code of 1986 to increase the applicable dollar amount for qualified carbon oxide which is captured and utilized for purposes of the carbon oxide sequestration credit.

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IN THE SENATE OF THE UNITED STATES

FEBRUARY 28, 2023

Mr. WHITEHOUSE (for himself and Mr. CASSIDY) introduced the following bill;  
which was read twice and referred to the Committee on Finance

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## A BILL

To amend the Internal Revenue Code of 1986 to increase the applicable dollar amount for qualified carbon oxide which is captured and utilized for purposes of the carbon oxide sequestration credit.

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 “CCU Parity Act of  
5 2023”.

1 **SEC. 2. INCREASE APPLICABLE DOLLAR AMOUNT FOR**  
2 **QUALIFIED CARBON OXIDE WHICH IS CAP-**  
3 **TURED AND UTILIZED.**

4 (a) IN GENERAL.—Section 45Q(b)(1)(A) of the In-  
5 ternal Revenue Code of 1986 is amended—

6 (1) in clause (i), by striking subclause (II) and  
7 inserting the following:

8 “(II) for purposes of paragraph  
9 (4) of such subsection—

10 “(aa) with respect to any  
11 qualified carbon oxide which is  
12 captured and used in the manner  
13 described in clause (i) of para-  
14 graph (4)(B) of such subsection,  
15 \$12, and

16 “(bb) with respect to any  
17 qualified carbon oxide which is  
18 captured and utilized in the man-  
19 ner described in clause (ii) of  
20 paragraph (4)(B) of such sub-  
21 section, \$17, and”, and

22 (2) in clause (ii), by striking subclause (II) and  
23 inserting the following:

24 “(II) for purposes of paragraph  
25 (4) of such subsection—

1           “(aa) with respect to any  
2 qualified carbon oxide which is  
3 captured and used in the manner  
4 described in clause (i) of para-  
5 graph (4)(B) of such subsection,  
6 an amount equal to the product  
7 of \$12 and the inflation adjust-  
8 ment factor for such calendar  
9 year determined under section  
10 43(b)(3)(B) for such calendar  
11 year, determined by substituting  
12 ‘2025’ for ‘1990’, and

13           “(bb) with respect to any  
14 qualified carbon oxide which is  
15 captured and utilized in the man-  
16 ner described in clause (ii) of  
17 paragraph (4)(B) of such sub-  
18 section, an amount equal to the  
19 product of \$17 and the inflation  
20 adjustment factor for such cal-  
21 endar year determined under sec-  
22 tion 43(b)(3)(B) for such cal-  
23 endar year, determined by sub-  
24 stituting ‘2025’ for ‘1990’.”.

1           (b) **EFFECTIVE DATE.**—The amendments made by  
2 this section shall apply to carbon oxide captured and uti-  
3 lized after December 31, 2023.

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