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H.R.1424 - A bill to provide authority for the Federal Government to purchase and insure certain types of troubled assets for the purposes of providing stability to and preventing disruption in the economy and financial system and protecting taxpayers, to amend the Internal Revenue Code of 1986 to provide incentives for energy production and conservation, to extend certain expiring provisions, to provide individual income tax relief, and for other purposes.

110th Congress (2007-2008)

Sponsor: [Rep. Kennedy, Patrick J. \[D-RI-1\]](#) (Introduced 03/09/2007)
Committees: House - Energy and Commerce; Education and Labor; Ways and Means
Committee Reports: [H. Rept. 110-374,Part 2](#); [H. Rept. 110-374,Part 3](#)
Latest Action: 10/03/2008 Became Public Law No: 110-343. ([TXT](#) | [PDF](#)) ([All Actions](#))
Roll Call Votes: There have been [6 roll call votes](#)
Notes: Emergency Economic Stabilization Act of 2008. [H.R.1424](#) is the vehicle for the economic rescue legislation. Division A is the Emergency Economic Stabilization Act of 2008; Division B is the Energy Improvement and Extension Act of 2008; and Division C is the Tax Extenders and Alternative Minimum Tax Relief Act of 2008.
Tracker: Introduced Passed House Passed Senate Resolving Differences To President **Became Law**

Summary(7) **Text(7)** Actions(63) Titles(18) Amendments(5) Cosponsors(274) Committees(3) Related Bills(9)

There are 7 versions: 

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Public Law No: 110-343 (10/03/2008)

[110th Congress Public Law 343]
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Public Law 110-343
 110th Congress

An Act

To provide authority for the Federal Government to purchase and insure certain types of troubled assets for the purposes of providing stability to and preventing disruption in the economy and financial system and protecting taxpayers, to amend the Internal Revenue Code of 1986 to provide incentives for energy production and conservation, to extend certain expiring provisions, to provide individual income tax relief, and for other purposes. <<NOTE: Oct. 3, 2008 - [H.R. 1424]>>

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

treated as a parachute payment by reason of this subsection is also a parachute payment determined without regard to this subsection, this subsection shall not apply to such payment.

``(ii) Regulatory authority.--The Secretary may prescribe such guidance, rules, or regulations as are necessary--

``(I) to carry out the purposes of this subsection and the Emergency Economic Stabilization Act of 2008, including the extent to which this subsection applies in the case of any acquisition, merger, or reorganization of an applicable employer,

``(II) to apply this section and section 4999 in cases where one or more payments with respect to any individual are treated as parachute payments by reason of this subsection, and other payments with respect to such individual are treated as parachute payments under this section without regard to this subsection, and

``(III) to prevent the avoidance of the application of this section through the mischaracterization of a severance from employment as other than an applicable severance from employment.''.

(c) <<NOTE: 26 USC 162 note.>> Effective Dates.--

(1) In general.--The amendment made by subsection (a) shall apply to taxable years ending on or after the date of the enactment of this Act.

(2) <<NOTE: 26 USC 280G note.>> Golden parachute rule.--The amendments made by subsection (b) shall apply to payments with respect to severances occurring during the period during which the authorities under section 101(a) of this Act are in effect (determined under section 120 of this Act).

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SEC. 303. EXTENSION OF EXCLUSION OF INCOME FROM DISCHARGE OF QUALIFIED PRINCIPAL RESIDENCE INDEBTEDNESS.

(a) Extension.--Subparagraph (E) of section 108(a)(1) of the Internal Revenue Code of 1986 <<NOTE: 26 USC 108.>> is amended by striking ``January 1, 2010'' and inserting ``January 1, 2013''.

(b) <<NOTE: 26 USC 108 note.>> Effective Date.--The amendment made by this section shall apply to discharges of indebtedness occurring on or after January 1, 2010.

DIVISION B--ENERGY IMPROVEMENT AND EXTENSION ACT OF 2008

SEC. 1. SHORT TITLE, ETC.

(a) Short Title.--This division may be cited as the ``Energy Improvement and Extension Act of 2008''.

(b) <<NOTE: 26 USC 1 et al.>> Reference.--Except as otherwise expressly provided, whenever in this division an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or

by this section shall take effect on the date of the enactment of this Act, in taxable years ending after such date.

SEC. 117. CARBON AUDIT OF THE TAX CODE.

(a) <<NOTE: Contracts.>> Study.--The Secretary of the Treasury shall enter into an agreement with the National Academy of Sciences to undertake a comprehensive review of the Internal Revenue Code of 1986 to identify the types of and specific tax provisions that have the largest effects on carbon and other greenhouse gas emissions and to estimate the magnitude of those effects.

(b) Report.--Not later than 2 years after the date of enactment of this Act, the National Academy of Sciences shall submit to Congress a report containing the results of study authorized under this section.

(c) Authorization of Appropriations.--There is authorized to be appropriated to carry out this section \$1,500,000 for the period of fiscal years 2009 and 2010.

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TITLE II--TRANSPORTATION AND DOMESTIC FUEL SECURITY PROVISIONS

SEC. 201. INCLUSION OF CELLULOSIC BIOFUEL IN BONUS DEPRECIATION FOR BIOMASS ETHANOL PLANT PROPERTY.

(a) In General.--Paragraph (3) of section 168(1) <<NOTE: 26 USC 168.>> is amended to read as follows:

``(3) Cellulosic biofuel.--The term `cellulosic biofuel' means any liquid fuel which is produced from any lignocellulosic or hemicellulosic matter that is available on a renewable or recurring basis.''.

(b) Conforming Amendments.--Subsection (1) of section 168 is amended--

(1) by striking `cellulosic biomass ethanol' each place it appears and inserting `cellulosic biofuel',

(2) by striking `Cellulosic Biomass Ethanol' in the heading of such subsection and inserting `Cellulosic Biofuel', and

(3) by striking `cellulosic biomass ethanol' in the heading of paragraph (2) thereof and inserting `cellulosic biofuel'.

(c) <<NOTE: Applicability. 26 USC 168 note.>> Effective Date.--The amendments made by this section shall apply to property placed in service after the date of the enactment of this Act, in taxable years ending after such date.

SEC. 202. CREDITS FOR BIODIESEL AND RENEWABLE DIESEL.

(a) In General.--Sections 40A(g), 6426(c)(6), and 6427(e)(5)(B) are each amended by striking `December 31, 2008' and inserting `December 31, 2009'.

(b) Increase in Rate of Credit.--

(1) Income tax credit.--Paragraphs (1)(A) and (2)(A) of section 40A(b) are each amended by striking `50 cents' and inserting `\$1.00'.

(2) Excise tax credit.--Paragraph (2) of section 6426(c) is amended to read as follows:

``(2) Applicable amount.--For purposes of this subsection, the applicable amount is \$1.00.''.

(3) Conforming amendments.--

(A) Subsection (b) of section 40A is amended by striking paragraph (3) and by redesignating paragraphs

(4) and (5) as paragraphs (3) and (4), respectively.

(B) Paragraph (2) of section 40A(f) is amended to read as follows:

“(2) Exception.--Subsection (b)(4) shall not apply with respect to renewable diesel.”.

(C) Paragraphs (2) and (3) of section 40A(e) are each amended by striking “subsection (b)(5)(C)” and inserting “subsection (b)(4)(C)”.

(D) Clause (ii) of section 40A(d)(3)(C) is amended by striking “subsection (b)(5)(B)” and inserting “subsection (b)(4)(B)”.

(c) Uniform Treatment of Diesel Produced From Biomass.--Paragraph (3) of section 40A(f) is amended--

(1) by striking “diesel fuel” and inserting “liquid fuel”,

(2) by striking “using a thermal depolymerization process”, and

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(3) by inserting “, or other equivalent standard approved by the Secretary” after “D396”.

(d) Coproduction of Renewable Diesel With Petroleum Feedstock.--

(1) In general.--Paragraph (3) <<NOTE: 26 USC 40A.>> of section 40A(f) is amended by adding at the end the following new sentences: “Such term does not include any fuel derived from coprocessing biomass with a feedstock which is not biomass. <<NOTE: Definition.>> For purposes of this paragraph, the term ‘biomass’ has the meaning given such term by section 45K(c)(3).”.

(2) Conforming amendment.--Paragraph (3) of section 40A(f) is amended by striking “(as defined in section 45K(c)(3))”.

(e) Eligibility of Certain Aviation Fuel.--Subsection (f) of section 40A (relating to renewable diesel) is amended by adding at the end the following new paragraph:

“(4) Certain aviation fuel.--

“(A) In general.--Except as provided in the last 3 sentences of paragraph (3), the term ‘renewable diesel’ shall include fuel derived from biomass which meets the requirements of a Department of Defense specification for military jet fuel or an American Society of Testing and Materials specification for aviation turbine fuel.

“(B) Application of mixture credits.--In the case of fuel which is treated as renewable diesel solely by reason of subparagraph (A), subsection (b)(1) and section 6426(c) shall be applied with respect to such fuel by treating kerosene as though it were diesel fuel.”.

(f) Modification Relating to Definition of Agri-Biodiesel.--Paragraph (2) of section 40A(d) (relating to agri-biodiesel) is amended by striking “and mustard seeds” and inserting “mustard seeds, and camelina”.

(g) <<NOTE: Applicability. 26 USC 40A note.>> Effective Date.--

(1) In general.--Except as otherwise provided in this subsection, the amendments made by this section shall apply to fuel produced, and sold or used, after December 31, 2008.

(2) Coproduction of renewable diesel with petroleum feedstock.--The amendment made by subsection (d) shall apply to fuel produced, and sold or used, after the date of the enactment

of this Act.

SEC. 203. CLARIFICATION THAT CREDITS FOR FUEL ARE DESIGNED TO
PROVIDE AN INCENTIVE FOR UNITED STATES
PRODUCTION.

(a) Alcohol Fuels Credit.--Subsection (d) of section 40 is amended
by adding at the end the following new paragraph:

``(7) Limitation to alcohol with connection to the united
states.--No credit shall be determined under this section with
respect to any alcohol which is produced outside the United
States for use as a fuel outside the United States. For purposes
of this paragraph, the term `United States' includes any
possession of the United States.'`.

(b) Biodiesel Fuels Credit.--Subsection (d) of section 40A is
amended by adding at the end the following new paragraph:

``(5) Limitation to biodiesel with connection to the united
states.--No credit shall be determined under this section with
respect to any biodiesel which is produced outside the United
States for use as a fuel outside the United States.

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For purposes of this paragraph, the term `United States'
includes any possession of the United States.'`.

(c) Excise Tax Credit.--

(1) In general.--Section 6426 <<NOTE: 26 USC 6426.>> is
amended by adding at the end the following new subsection:

``(i) Limitation to Fuels With Connection to the United States.--

``(1) Alcohol.--No credit shall be determined under this
section with respect to any alcohol which is produced outside
the United States for use as a fuel outside the United States.

``(2) Biodiesel and alternative fuels.--No credit shall be
determined under this section with respect to any biodiesel or
alternative fuel which is produced outside the United States for
use as a fuel outside the United States.

For purposes of this subsection, the term `United States' includes any
possession of the United States.'`.

(2) Conforming amendment.--Subsection (e) of section 6427 is
amended by redesignating paragraph (5) as paragraph (6) and by
inserting after paragraph (4) the following new paragraph:

``(5) Limitation to fuels with connection to the united
states.--No amount shall be payable under paragraph (1) or (2)
with respect to any mixture or alternative fuel if credit is not
allowed with respect to such mixture or alternative fuel by
reason of section 6426(i).''.

(d) <<NOTE: Applicability. 26 USC 40 note.>> Effective Date.--The
amendments made by this section shall apply to claims for credit or
payment made on or after May 15, 2008.

SEC. 204. EXTENSION AND MODIFICATION OF ALTERNATIVE FUEL CREDIT.

(a) Extension.--

(1) Alternative fuel credit.--Paragraph (4) of section
6426(d) (relating to alternative fuel credit) is amended by
striking ``September 30, 2009'' and inserting ``December 31,
2009''.

(2) Alternative fuel mixture credit.--Paragraph (3) of
section 6426(e) (relating to alternative fuel mixture credit) is
amended by striking ``September 30, 2009'' and inserting