

ESTIMATED REVENUE EFFECTS OF THE "ENERGY TAX INCENTIVES ACT OF 2002"  
SCHEDULED FOR MARKUP BY THE COMMITTEE ON FINANCE ON FEBRUARY 13, 2002

Fiscal Years 2002 - 2012

[Millions of Dollars]

Provision	Effective	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2002-07	2002-12
<b>Renewable Energy - Extend and Modify the Section 45 Credit for Producing Electricity From Certain Sources (including tradable credits)</b>														
esfqfa DOE		-30	-133	-242	-335	-363	-372	-372	-366	-359	-344	-291	-1,474	-3,207
<b>Alternative Vehicles and Fuel Incentives</b>														
1. Modified CLEAR Act:														
a. Credits for purchase of alternative motor vehicles and modifications to credit for electric vehicles	1/1/03	---	-50	-206	-320	-351	-219	22	15	10	4	1	-1,145	-1,093
b. Credit for retail sale of alternative fuels (30 cents/gallon in 2003, 40 cents in 2004, and 50 cents in 2005 through 2006)	1/1/03	---	-44	-100	-169	-215	-90	-1	-1	-1	-1	[1]	-619	-624
c. Extension of deduction for certain vehicles and refueling property	1/1/03	---	-50	-122	-133	-62	50	73	48	29	12	3	-316	-150
d. Credit for installation of alternative fueling stations	1/1/03	---	-2	-2	-2	-2	[1]	[2]	[2]	[2]	[2]	---	-9	-8
2. Modifications to small producer ethanol credit	tyba DOE	---	-16	-34	-34	-34	-34	-18	[1]	[1]	[1]	---	-152	-171
3. Transfer full amount of excise tax imposed on gasohol to the Highway Trust Fund	10/1/03	----- No Revenue Effect -----												
4. Modify income tax and fuels excise tax treatment of ETBE	DOE	----- Negligible Revenue Effect -----												
<b>Total of Alternative Vehicles and Fuel Incentives</b>		---	-162	-464	-658	-664	-293	76	62	38	15	4	-2,241	-2,046
<b>Conservation and Energy Efficiency Provisions</b>														
1. Business credit for construction of new energy efficient homes	DOE & ppisb 1/1/08 tyea 12/31/02 & ppb 1/1/07	-8	-16	-16	-11	-8	-7	-4	-1	[1]	---	---	-66	-72
2. Tax credit for energy efficient appliances	tyea 12/31/02 & ppb 1/1/08	---	-19	-31	-33	-65	-50	-28	-13	-2	---	---	-198	-241
3. Tax credit for residential fuel cell, solar, and wind energy property	tyea 12/31/02 & ppb 1/1/08	---	-4	-18	-22	-29	-32	-30	---	---	---	---	-105	-135
4. Business tax incentives for qualifying fuel cells (through 12/31/06):														
a. Stationary	ppisa 12/31/02	---	-3	-8	-14	-16	-10	-6	-3	-2	[1]	---	-51	-62
b. Portable	ppisa 12/31/02	----- Negligible Revenue Effect -----												
5. Allowance of deduction for certain energy efficient commercial building property	10/1/02 & ccb 1/1/10	---	-60	-61	-63	-64	-65	-65	-23	---	---	---	-313	-401
6. Allowance of deduction for new and retrofitted energy management devices; three-year applicable recovery period for depreciation of qualified new energy management devices	ppisa DOE	-11	-17	-20	-23	-24	-22	-20	-18	-17	-16	-16	-117	-205

Provision	Effective	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2002-07	2002-12
7. Energy credit for combined heat and power system property .....	episa 12/31/02 & episb 1/1/07	---	-34	-65	-72	-76	-51	-26	-15	-7	-1	---	-298	-347
<b>Total of Conservation and Energy Efficiency Provisions .....</b>		<b>-19</b>	<b>-153</b>	<b>-219</b>	<b>-238</b>	<b>-282</b>	<b>-237</b>	<b>-179</b>	<b>-73</b>	<b>-28</b>	<b>-17</b>	<b>-16</b>	<b>-1,148</b>	<b>-1,463</b>
<b>Clean Coal Incentives - Investment and Production</b>														
<b>Credits for Clean Coal Technology</b>														
1. Credit for production from a qualifying clean coal technology unit .....	pa DOE	---	-2	-33	-61	-73	-84	-91	-94	-97	-99	-101	-253	-733
2. Credit for investment in qualifying advanced clean coal technology .....	ppisa DOE	---	-1	-22	-54	-56	-47	-31	-77	-62	-26	-17	-180	-394
3. Credit for production from qualifying advanced clean coal technology .....	pa DOE	---	[1]	-5	-19	-42	-63	-80	-104	-136	-158	-171	-129	-780
<b>Total of Clean Coal Incentives - Investment and Production Credit for Clean Coal Technology .....</b>		<b>---</b>	<b>-3</b>	<b>-60</b>	<b>-134</b>	<b>-171</b>	<b>-194</b>	<b>-202</b>	<b>-275</b>	<b>-295</b>	<b>-283</b>	<b>-289</b>	<b>-562</b>	<b>-1,907</b>
<b>Oil and Gas Provisions</b>														
1. Tax credit for marginal domestic oil and natural gas well production .....	DOE	----- <i>No Revenue Effect</i> -----												
2. Natural gas gathering pipelines treated as 7-year property .....	ppisa DOE	-1	-4	-5	-6	-7	-8	-9	-11	-11	-12	-13	-31	-87
3. Repeal of requirement that certain terminals offer both dyed and undyed diesel fuel and kerosene as a condition of registration .....	DOE	----- <i>Negligible Revenue Effect</i> -----												
4. Expensing of capital costs incurred and credit for production in complying with Environmental Protection Agency sulfur regulations for small refiners .....	epoia DOE	---	---	---	---	-5	-10	-17	-27	-7	5	4	-14	-57
5. Determination of small refiner exception to oil depletion deduction - modify definition of independent refiner from daily maximum run less than 50,000 barrels to average daily run less than 50,000 barrels .....	tyba 12/31/02	---	-3	-5	-5	-6	-6	-6	-6	-6	-6	-7	-26	-57
6. Extension of suspension of 100% of taxable income limit with respect to marginal production (through 12/31/06) .....	tyba 12/31/01	-21	-35	-38	-40	-42	-15	---	---	---	---	---	-191	-191
7. Election to amortize geological and geophysical expenditures over 2 years (no transition rule) .....	cpoii tyba 12/31/02	---	291	205	-73	-154	-146	-146	-155	-161	-165	-170	122	-675
8. Election to amortize delay rental payments over 2 years (no transition rule) .....	apooi tyba 12/31/02	---	107	44	-82	-116	-116	-55	-86	-121	-123	-124	-162	-672
9. Study of coal bed methane .....	DOE	----- <i>No Revenue Effect</i> -----												
10. Refined coal (\$3 credit and no indexing) .....	fsa DOE	---	[1]	-1	-4	-7	-8	-8	-7	-4	-1	---	-21	-41
11. Natural gas distribution lines treated as 15-year property .....	ppisa DOE	-8	-30	-59	-87	-111	-133	-152	-173	-199	-226	-254	-427	-1,431
<b>Total of Oil and Gas Provisions .....</b>		<b>-30</b>	<b>326</b>	<b>141</b>	<b>-297</b>	<b>-448</b>	<b>-442</b>	<b>-393</b>	<b>-465</b>	<b>-509</b>	<b>-528</b>	<b>-564</b>	<b>-750</b>	<b>-3,211</b>
<b>Provisions Relating to Electric Industry Restructuring</b>														
1. Ongoing study and reports with regard to tax issues resulting from future restructuring decisions .....	DOE	----- <i>No Revenue Effect</i> -----												

Provision	Effective	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2002-07	2002-12
2. Modification to Special Rules for Nuclear Decommissioning Costs - eliminate cost of service requirement and clarify treatment of fund transfers .....	tyba 2002	---	-18	-46	-56	-75	-99	-131	-143	-152	-161	-171	-294	-1,052
3. Treatment of certain income of electric cooperatives .....	tyba DOE	-6	-13	-16	-19	-21	-23	-25	-27	-29	-32	-35	-97	-245
<b>Total of Provisions Relating to Electric Industry Restructuring .....</b>		<b>-6</b>	<b>-31</b>	<b>-62</b>	<b>-75</b>	<b>-96</b>	<b>-122</b>	<b>-156</b>	<b>-170</b>	<b>-181</b>	<b>-193</b>	<b>-206</b>	<b>-391</b>	<b>-1,297</b>
<b>Extension of Tax Incentives for Indian Reservations - Extension of Accelerated Depreciation and Wage Credit Benefits for Businesses on Indian Reservations (through 12/31/05) .....</b>	<b>DOE</b>	<b>---</b>	<b>8</b>	<b>-153</b>	<b>-468</b>	<b>-427</b>	<b>-100</b>	<b>97</b>	<b>200</b>	<b>225</b>	<b>157</b>	<b>62</b>	<b>-1,140</b>	<b>-399</b>
<b>NET TOTAL .....</b>		<b>-85</b>	<b>-148</b>	<b>-1,059</b>	<b>-2,205</b>	<b>-2,451</b>	<b>-1,760</b>	<b>-1,129</b>	<b>-1,087</b>	<b>-1,109</b>	<b>-1,193</b>	<b>-1,300</b>	<b>-7,706</b>	<b>-13,530</b>

Joint Committee on Taxation

NOTE: Details may not add to totals due to rounding.

Legend for "Effective" column:

apoi = amounts paid or incurred in  
ccb = construction completed before  
cpoi = costs paid or incurred in  
DOE = date of enactment  
epoi = expenses paid or incurred after  
episa = equipments placed in service after

episb = equipment placed in service before  
esfqfa = electricity sold from qualifying facilities after  
fsa = fuels sold after  
pa = production after  
pcpt = plans certified prior to

ppb = property purchased before  
ppisa = property placed in service after  
ppisb = property placed in service before  
tyba = taxable years beginning after  
tyea = taxable years ending after

[1] Loss of less than \$500,000.

[2] Gain of less than \$500,000.