

**ESTIMATED REVENUE EFFECTS OF THE TAX PROVISIONS CONTAINED IN H.R. 5351,  
THE "RENEWABLE ENERGY AND ENERGY CONSERVATION TAX ACT OF 2008"**

**Fiscal Years 2008 - 2018**

*[Millions of Dollars]*

| Provision   | Effective     | 2008        | 2009        | 2010        | 2011        | 2012        | 2013        | 2014        | 2015        | 2016        | 2017        | 2018          | 2008-13       | 2008-18       |
|---|---------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|---------------|---------------|---------------|
| <b>I. Production Incentives</b>   |               |             |             |             |             |             |             |             |             |             |             |               |               |               |
| A. Extension and Modification of the Credit for the Production of Electricity from Renewable Resources - extend placed-in-service date three years, place cap on allowable credit for property placed in service after 12/31/09, add marine and hydrokinetic energy as qualified energy resources, and allow new biomass units to qualify for credit..... | [1]           | ---         | -63         | -239        | -484        | -687        | -780        | -812        | -834        | -858        | -882        | -928          | -2,253        | -6,567        |
| B. Extension and Modification of Energy Credit - extend 30% solar and fuel cell credits; increase cap on fuel cells to \$1,500 per half kilowatt; remove the public utility restriction for the energy credit; and allow energy credit to be taken against the AMT (sunset 12/31/16).....   | [2]           | -9          | -50         | -97         | -84         | -65         | -64         | -65         | -66         | -68         | -37         | -15           | -370          | -621          |
| C. New Clean Renewable Energy Bonds (\$2 billion of bond allocation) [3].....   | bia DOE       | -2          | -11         | -25         | -45         | -68         | -84         | -87         | -83         | -80         | -78         | -77           | -235          | -640          |
| D. Extension and Modification of Special Rule to Implement FERC and State Electric Restructuring Policy (sunset 12/31/09).....  | [4]           | -229        | -290        | -39         | 90          | 90          | 90          | 90          | 109         | 72          | 16          | ---           | -288          | ---           |
| E. Credit for Residential Energy Efficient Property - extension and modification of credit for solar, fuel cell, small wind, and geothermal residential energy efficient property (sunset 12/31/14).....  | tyba 12/31/07 | ---         | -20         | -98         | -101        | -104        | -108        | -112        | -92         | ---         | ---         | ---           | -430          | -634          |
| <b>Total of Production Incentives .....</b>   |               | <b>-240</b> | <b>-434</b> | <b>-498</b> | <b>-624</b> | <b>-834</b> | <b>-946</b> | <b>-986</b> | <b>-966</b> | <b>-934</b> | <b>-981</b> | <b>-1,020</b> | <b>-3,576</b> | <b>-8,462</b> |

| Provision  | Effective                        | 2008                                 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2008-13 | 2008-18 |
|--|----------------------------------|--------------------------------------|------|------|------|------|------|------|------|------|------|------|---------|---------|
| <b>II. Conservation Provisions</b>   |                                  |                                      |      |      |      |      |      |      |      |      |      |      |         |         |
| <b>A. Transportation</b>   |                                  |                                      |      |      |      |      |      |      |      |      |      |      |         |         |
| 1. Credit for plug-in hybrid vehicles; nonbusiness alternative motor vehicle credit treated as personal credit.....                  | tyba 12/31/08 &<br>tyba 12/31/07 | ---                                  | ---  | ---  | -31  | -158 | -187 | -241 | -301 | -175 | -127 | -80  | -376    | -1,300  |
| 2. Extension and modification of alternative fuel vehicle refueling property credit (sunset 12/31/10).....                           | [5]                              | -5                                   | -15  | -60  | -47  | -19  | -13  | -8   | 1    | 3    | 3    | 4    | -159    | -156    |
| 3. Modification of limitation on automobile depreciation.....  | ppisa DOE                        | -24                                  | -49  | 43   | 90   | 132  | 128  | 13   | 15   | 16   | 15   | 15   | 321     | 393     |
| 4. Extension and modification of credits for biodiesel and renewable diesel:   |                                  |                                      |      |      |      |      |      |      |      |      |      |      |         |         |
| a. Extension and modification of credits for biodiesel and renewable diesel (sunset 12/31/10).....                                   | fpsoua 12/31/08                  | ---                                  | -94  | -144 | -41  | ---  | ---  | ---  | ---  | ---  | ---  | ---  | -279    | -279    |
| b. Disallow credit to renewable diesel co-produced with petroleum products.....  | fpsoua 2/13/08                   | 54                                   | 23   | ---  | ---  | ---  | ---  | ---  | ---  | ---  | ---  | ---  | 77      | 77      |
| 5. Clarification that credits for fuels are designed to provide an incentive for United States production:                           |                                  |                                      |      |      |      |      |      |      |      |      |      |      |         |         |
| a. Deny certain fuel credits for fuel with insufficient nexus to the United States.....  | fpsoua 12/31/08                  | ---                                  | 23   | 34   | 10   | ---  | ---  | ---  | ---  | ---  | ---  | ---  | 68      | 68      |
| b. Deny certain fuel credits for fuels produced and used outside the United States.....  | [6]                              | ----- <i>No Revenue Effect</i> ----- |      |      |      |      |      |      |      |      |      |      |         |         |
| 6. Credit for production of cellulosic alcohol (sunset 12/31/10).....  | APA 12/31/08                     | ---                                  | -1   | -17  | -6   | ---  | ---  | ---  | ---  | ---  | ---  | ---  | -24     | -24     |
| 7. Extension of transportation fringe benefit to bicycle commuters.....  | tyba 12/31/08                    | ---                                  | -1   | -1   | -1   | -1   | -1   | -1   | -1   | -1   | -1   | -1   | -5      | -10     |
| 8. Restructure New York Liberty Zone incentives (credits begin 2008; New York Liberty Zone incentives sunset date of enactment)..... | DOE                              | -95                                  | -209 | 8    | -339 | -170 | -170 | -170 | -170 | -170 | -170 | -170 | -975    | -1,826  |
| <b>B. Other Conservation Provisions</b>  |                                  |                                      |      |      |      |      |      |      |      |      |      |      |         |         |
| 1. Qualified energy conservation bonds (\$3.6 billion allocation).....   | bia DOE                          | -8                                   | -45  | -112 | -179 | -217 | -229 | -228 | -223 | -220 | -218 | -218 | -790    | -1,897  |
| 2. Extension and modification of energy efficient existing homes credit (sunset 12/31/09).....                                       | ea 12/31/07                      | -167                                 | -671 | -688 | ---  | ---  | ---  | ---  | ---  | ---  | ---  | ---  | -1,526  | -1,526  |
| 3. Extension of energy efficient commercial buildings deduction (sunset 12/31/13).....   | DOE                              | ---                                  | -100 | -160 | -167 | -170 | -175 | -52  | 15   | 13   | 11   | 9    | -774    | -776    |

| Provision   | Effective     | 2008                                 | 2009          | 2010          | 2011         | 2012         | 2013         | 2014          | 2015         | 2016         | 2017         | 2018         | 2008-13       | 2008-18       |
|---|---------------|--------------------------------------|---------------|---------------|--------------|--------------|--------------|---------------|--------------|--------------|--------------|--------------|---------------|---------------|
| 4. Extension and modification of energy efficient appliance credit for appliances produced after 2007.....  | apa 12/31/07  | -74                                  | -108          | -65           | -36          | -26          | -11          | -2            | ---          | ---          | ---          | ---          | -320          | -323          |
| 5. 5-year applicable recovery period for depreciation of qualified energy management devices.....   | ppisa DOE     | -2                                   | -20           | -61           | -103         | -134         | -160         | -182          | -197         | -208         | -219         | -232         | -480          | -1,518        |
| <b>Total of Conservation Provisions .....</b>   |               | <b>-321</b>                          | <b>-1,267</b> | <b>-1,223</b> | <b>-850</b>  | <b>-763</b>  | <b>-818</b>  | <b>-871</b>   | <b>-861</b>  | <b>-742</b>  | <b>-706</b>  | <b>-673</b>  | <b>-5,242</b> | <b>-9,097</b> |
| <b>III. Revenue Provisions</b>  |               |                                      |               |               |              |              |              |               |              |              |              |              |               |               |
| 1. Deny section 199 deduction for major integrated oil companies, and freeze at 6% for all others, for income attributable to domestic production of oil, gas, or primary products thereof.....           | tyba 12/31/08 | ---                                  | 367           | 955           | 1,170        | 1,258        | 1,352        | 1,453         | 1,562        | 1,578        | 1,805        | 2,065        | 5,102         | 13,565        |
| 2. Clarification of determination of foreign oil and gas extraction income:   |               |                                      |               |               |              |              |              |               |              |              |              |              |               |               |
| a. Require arm's-length price for FOGEL.....  | tyba DOE      | 21                                   | 292           | 297           | 301          | 304          | 307          | 310           | 312          | 314          | 315          | 316          | 1,522         | 3,089         |
| b. Treat petroleum taxes as taxes on FOGEL.....   | tyba DOE      | 6                                    | 94            | 95            | 97           | 98           | 99           | 99            | 100          | 100          | 101          | 102          | 489           | 991           |
| 3. Increase by 3.00 percentage points the required corporate estimated tax payments factor for corporations with assets of at least \$1 billion for payments due in July, August, and September 2013..... | DOE           | ---                                  | ---           | ---           | ---          | ---          | 1,764        | -1,764        | ---          | ---          | ---          | ---          | 1,764         | ---           |
| <b>Total of Revenue Provisions .....</b>  |               | <b>27</b>                            | <b>753</b>    | <b>1,347</b>  | <b>1,568</b> | <b>1,660</b> | <b>3,522</b> | <b>98</b>     | <b>1,974</b> | <b>1,992</b> | <b>2,221</b> | <b>2,483</b> | <b>8,877</b>  | <b>17,645</b> |
| <b>IV. Other Provisions</b>   |               |                                      |               |               |              |              |              |               |              |              |              |              |               |               |
| A. Studies  |               |                                      |               |               |              |              |              |               |              |              |              |              |               |               |
| 1. Carbon audit of provisions of the Internal Revenue Code of 1986.....   | DOE           | ----- <i>No Revenue Effect</i> ----- |               |               |              |              |              |               |              |              |              |              |               |               |
| 2. Comprehensive study of biofuels production.....  | DOE           | ----- <i>No Revenue Effect</i> ----- |               |               |              |              |              |               |              |              |              |              |               |               |
| <b>Total of Other Provisions .....</b>  |               | ----- <i>No Revenue Effect</i> ----- |               |               |              |              |              |               |              |              |              |              |               |               |
| <b>NET TOTAL .....</b>  |               | <b>-534</b>                          | <b>-948</b>   | <b>-374</b>   | <b>94</b>    | <b>63</b>    | <b>1,758</b> | <b>-1,759</b> | <b>147</b>   | <b>316</b>   | <b>534</b>   | <b>790</b>   | <b>59</b>     | <b>86</b>     |

Joint Committee on Taxation

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

[Legend and Footnotes for JCX-20-08 appear on the following page]

**Legend and Footnotes for JCX-20-08:**

Legend for "Effective" column:

APA = alcohol produced after  
apa = appliances produced after  
bia = bonds issued after

DOE = date of enactment  
ea = expenditures after  
fpsoua = fuel produced, and sold or used, after

ppisa = property placed in service after  
tyba = taxable years beginning after

- [1] The extension of the electricity production credit is effective for facilities originally placed in service after 2008. The addition of marine and hydrokinetic renewable energy as a qualified energy resource is effective for electricity produced at qualified facilities and sold after the date of enactment in taxable years ending after such date. The repeal of the credit phaseout adjustment is effective for taxable years ending after 2008. The limitation based on investment is effective for facilities originally placed in service after 2009. The clarification of the definition of trash combustion facility is effective for electricity produced and sold after the date of enactment. The modification to the definitions of open-loop biomass facility and closed-loop biomass facility is effective for property placed in service after the date of enactment.
- [2] The provisions extending the 30% credit is generally effective on the date of enactment. The increase in the credit cap for fuel cells applies to periods after the date of enactment, in taxable years ending after such date, under rules similar to the rules of section 48(m) of the Internal Revenue Code (the "Code") (as in effect on the day before the enactment of the Revenue Reconciliation Act of 1990). The provision relating to the restrictions on public utility property applies to periods after February 13, 2008, in taxable years ending after such date, under rules similar to the rules of section 48(m) of the Code (as in effect on the day before the enactment of the Revenue Reconciliation Act of 1990). The allowance of the credit against the alternative minimum tax is effective for taxable years beginning after the date of enactment.
- [3] Credit rate set at 70 percent of the credit rate that would allow bonds to be issued without discount or premium.
- [4] The extension applies to transactions after December 31, 2007. The change in period for transfer of operational control is effective as if included in section 909 of the American Jobs Creation Act of 2004. The exclusion for property located outside the United States applies to transactions after the date of enactment.
- [5] Effective for property placed in service after the date of enactment, in taxable years ending after such date.
- [6] Generally effective as if included in section 301 of the American Jobs Creation Act of 2004; as it relates to the alternative fuel or alternative fuel mixture credit, effective as if included in section 11113 of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users; as it relates to renewable diesel, the provision is effective as if included in section 1346 of the Energy Policy Act of 2005.