

112TH CONGRESS  
2D SESSION

**S.** \_\_\_\_\_

To amend the Internal Revenue Code of 1986 to increase, expand, and extend the credit for hydrogen-related alternative fuel vehicle refueling property and to increase the investment credit for more efficient fuel cells.

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IN THE SENATE OF THE UNITED STATES

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Mr. BLUMENTHAL introduced the following bill; which was read twice and referred to the Committee on \_\_\_\_\_

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**A BILL**

To amend the Internal Revenue Code of 1986 to increase, expand, and extend the credit for hydrogen-related alternative fuel vehicle refueling property and to increase the investment credit for more efficient fuel cells.

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. EXPANSION OF CREDIT FOR HYDROGEN-RE-**  
4 **LATED ALTERNATIVE FUEL VEHICLE RE-**  
5 **FUELING PROPERTY.**

6 (a) INCREASE IN CREDIT PERCENTAGE.—Subsection  
7 (a) of section 30C of the Internal Revenue Code of 1986  
8 (relating to alternative fuel vehicle refueling property cred-

1 it) is amended by inserting “(50 percent in the case of  
2 property relating to hydrogen)” after “30 percent”.

3 (b) NO DOLLAR LIMITATION.—Subsection (b) of sec-  
4 tion 30C of such Code is amended by adding at the end  
5 the following flush sentence:

6 “The preceding sentence shall not apply in the case of  
7 property related to hydrogen.”.

8 (c) CREDIT ALLOWABLE FOR REFUELING PROPERTY  
9 FOR CERTAIN MOTOR VEHICLES DESIGNED FOR CAR-  
10 RYING OR TOWING LOADS.—

11 (1) IN GENERAL.—Subsection (c) of section  
12 30C of such Code is amended by striking “and” at  
13 the end of paragraph (1), by striking the period at  
14 the end of paragraph (2) and inserting “, and”, and  
15 by adding at the end the following new paragraph:

16 “(3) with respect to property described in sec-  
17 tion 179A(d)(3)(A) for the storage or dispensing of  
18 fuel at least 85 percent of the volume of which con-  
19 sists of hydrogen, the reference to motor vehicles in  
20 section 179A(d)(3)(A) included specified off-highway  
21 vehicles.”.

22 (2) SPECIFIED OFF-HIGHWAY VEHICLES DE-  
23 FINED.—Subsection (c) of section 30C of such Code  
24 is amended by adding at the end the following new  
25 paragraph:

1           “(7) SPECIFIED OFF-HIGHWAY VEHICLES.—For  
2 purposes of subsection (c)(3)—

3           “(A) IN GENERAL.—The term ‘specified  
4 off-highway vehicles’ means all types of vehicles  
5 propelled by motor that are designed for car-  
6 rying or towing loads from one place to an-  
7 other, regardless of the type of load or material  
8 carried or towed and whether or not the vehicle  
9 is registered or required to be registered for  
10 highway use, including fork lift trucks used to  
11 carry loads at railroad stations, industrial  
12 plants, and warehouses.

13           “(B) EXCEPTIONS.—Such term does not  
14 include—

15           “(i) farm tractors, trench diggers,  
16 power shovels, bulldozers, road graders or  
17 rollers, and similar equipment which does  
18 not carry or tow a load, and

19           “(ii) any vehicle that operates exclu-  
20 sively on a rail or rails.”.

21           (d) CREDIT FOR HYDROGEN PROPERTY EXTENDED  
22 THROUGH 2016.—Paragraph (1) of section 30C(g) of  
23 such Code is amended by striking “December 31, 2014”  
24 and inserting “December 31, 2016”.

25           (e) EFFECTIVE DATE.—

1           (1) IN GENERAL.—The amendments made by  
2 subsections (a) and (c) shall apply to property  
3 placed in service after the date of the enactment of  
4 this Act in taxable years ending after such date.

5           (2) REPEAL OF LIMITATION.—The amendment  
6 made by subsection (b) shall apply to taxable years  
7 beginning after the date of the enactment of this  
8 Act.

9           (3) HYDROGEN REFUELING PROPERTY.—The  
10 amendment made by subsection (d) shall apply to  
11 property placed in service after December 31, 2014.

12 **SEC. 2. INCREASED INVESTMENT CREDIT FOR MORE EFFI-**  
13 **CIENT FUEL CELLS.**

14 (a) INCREASED PERCENTAGE.—

15           (1) IN GENERAL.—Subparagraph (A) of section  
16 48(a)(2) of the Internal Revenue Code of 1986 (re-  
17 lating to energy percentage) is amended by redesign-  
18 ating clauses (i) and (ii) as clauses (iii) and (iv),  
19 respectively, and by inserting before clause (iii), as  
20 so redesignated, the following new clauses:

21                   “(i) 50 percent in the case of qualified  
22 fuel cell property used in a combined heat  
23 and power system having an energy effi-  
24 ciency percentage (as defined in section  
25 48(c)(3)(C)) of 70 percent or more,

1                   “(ii) 40 percent in the case of quali-  
2                   fied fuel cell property used in such a sys-  
3                   tem having an energy efficiency percentage  
4                   (as so defined) of at least 60 percent but  
5                   less than 70 percent,”.

6                   (2) CONFORMING AMENDMENTS.—

7                   (A)       Subclause       (I)       of       section  
8                   48(a)(2)(A)(iii) of such Code, as redesignated  
9                   by paragraph (1), is amended by inserting “not  
10                  described in clause (i) or (ii)” before the  
11                  comma.

12                  (B) Clause (iv) of section 48(a)(2)(A) of  
13                  such Code, as so redesignated, is amended by  
14                  striking “to which clause (i) does not apply”  
15                  and inserting “to which none of the preceding  
16                  clauses apply”.

17                  (b) INCREASED MAXIMUM CREDIT.—Subparagraph  
18                  (B) of section 48(c)(1) of such Code is amended to read  
19                  as follows:

20                  “(B) LIMITATION.—In the case of quali-  
21                  fied fuel cell property placed in service during  
22                  the taxable year, the credit otherwise deter-  
23                  mined under subsection (a) for such year with  
24                  respect to such property shall not exceed an  
25                  amount equal to—

1                   “(i) in the case of property described  
2                   in subsection (a)(2)(A)(i), \$2,500 for each  
3                   0.5 kilowatt of capacity of such property,

4                   “(ii) in the case of property described  
5                   in subsection (a)(2)(A)(ii), \$2,000 for each  
6                   0.5 kilowatt of capacity of such property,

7                   and

8                   “(iii) in the case of property described  
9                   in subsection (a)(2)(A)(iii)(I), \$1,500 for  
10                  each 0.5 kilowatt of capacity of such prop-  
11                  erty.”.

12           (c) EFFECTIVE DATE.—The amendments made by  
13 this section shall apply to taxable years beginning after  
14 the date of the enactment of this Act.