

ESTIMATED REVENUE EFFECTS OF THE CHAIRMAN'S MARK OF  
THE "ENERGY POLICY TAX INCENTIVES ACT OF 2005,"  
SCHEDULED FOR MARKUP BY THE COMMITTEE ON FINANCE ON JUNE 16, 2005

Fiscal Years 2005 - 2015

[Millions of Dollars]

Provision	Effective	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2005-10	2005-15
<b>I. Electricity Infrastructure</b>														
1. Extend and modify section 45 credit through 12/31/08 [1].....	esfqfa 12/31/05	---	-19	-97	-279	-460	-534	-558	-554	-555	-558	-563	-1,389	-4,177
2. Clean renewable energy bonds (\$1 billion aggregate issuance limitation through 12/31/08).....	bia 12/31/05	---	-9	-25	-43	-56	-60	-60	-60	-60	-60	-60	-193	-493
3. Treatment of certain income of electric cooperatives .....	tyba 12/31/06	---	---	-14	-24	-26	-29	-32	-34	-37	-39	-42	-93	-277
4. Dispositions of transmission property to implement FERC restructuring policy (applies to sales or dispositions completed prior to 1/1/08).....	DOE	-37	-105	-237	-73	43	43	44	45	82	150	64	-366	19
5. Credit for production from advanced nuclear power facilities.....	tyba DOE	---	---	---	---	---	---	---	---	-41	-83	-155	---	-278
6. Investment incentives for production of electricity and gasification from advanced clean coal.....	DOE	---	-32	-72	-136	-203	-279	-318	-313	-276	-193	-134	-722	-1,955
7. Clean energy bonds for certified coal property (\$1 billion aggregate issuance limitation through 12/31/10).....	bia 12/31/05	---	-7	-22	-35	-45	-50	-55	-60	-60	-60	-60	-159	-454
<b>Total of Electricity Infrastructure .....</b>		<b>-37</b>	<b>-172</b>	<b>-467</b>	<b>-590</b>	<b>-747</b>	<b>-909</b>	<b>-979</b>	<b>-976</b>	<b>-947</b>	<b>-843</b>	<b>-950</b>	<b>-2,922</b>	<b>-7,615</b>
<b>II. Domestic Fossil Fuel Security</b>														
1. Credit for investment in coke/cogeneration manufacturing facilities (sunset 12/31/09).....	ppisa DOE	-3	-26	-32	-25	-17	-13	-11	-6	-2	[2]	---	-116	-135
2. Incentives to expand refining capacity														
a. Temporary expensing for equipment used in the refining of liquid fuels (and allow pass through to coop patrons) [3].....	ppisa DOE	---	-22	-58	-268	-95	-735	-611	355	285	231	191	-1,178	-727
b. Pass through low sulfur diesel expensing to coop patrons [4].....	[5]	-42	-13	5	4	4	4	4	4	4	4	4	-37	-16
3. Enhanced oil recovery credit modification for new/expanded CO2 recoveries (sunset 12/31/09).....	ppisa 12/31/05	---	-12	-31	-57	-97	-133	-166	-155	-143	-143	-143	-330	-1,078
4. Gas distribution property treated as 15 year MACRS property, no AMT conformity (sunset after 2007) [3].....	ppisa DOE	-1	-13	-43	-65	-63	-52	-42	-36	-39	-47	-51	-237	-452
<b>Total of Domestic Fossil Fuel Security .....</b>		<b>-46</b>	<b>-86</b>	<b>-159</b>	<b>-411</b>	<b>-268</b>	<b>-929</b>	<b>-826</b>	<b>162</b>	<b>105</b>	<b>45</b>	<b>1</b>	<b>-1,898</b>	<b>-2,408</b>

Provision	Effective	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2005-10	2005-15
<b>III. Conservation and Energy Efficiency</b>														
1. Allowance of deduction for certain energy efficient commercial building property (sunset 12/31/09).....	ppisa DOE	-37	-138	-175	-203	-211	-62	16	14	12	10	8	-826	-766
2. Business credit for construction of new energy efficient homes (30% credit sunsets 12/31/07; 50% credit sunsets 12/31/09).....	hpa DOE	-23	-104	-181	-126	-80	-63	-49	-40	-30	-10	-3	-576	-706
3. Incentive for certain energy efficient property used in business (HV/AC et al.) (sunset 12/31/08).....	ppisa DOE	-15	-45	-62	-74	-28	---	---	---	---	---	---	-223	-223
4. Credit for certain non-business energy property (HV/AC et al.) (sunset 12/31/08).....	ppisa 12/31/05	---	-69	-341	-352	-291	---	---	---	---	---	---	-1,053	-1,053
5. Energy credit for combined heat and power system property (sunset 12/31/07).....	ppisa DOE	-27	-72	-72	-42	-22	-15	-13	-8	-1	5	5	-249	-261
6. Credit for energy efficient appliances (sunsets 12/31/07 for dishwashers and 12/31/10 for clothes washers and refrigerators) [6].....	apa DOE	-8	-76	-86	-65	-41	-20	-5	---	---	---	---	-295	-300
7. 30% credit for residential purchases/installations of solar (pv and hot water) and fuel cells (sunset 12/31/09).....	ppisa 12/31/05	---	-2	-13	-21	-25	-24	---	---	---	---	---	-85	-85
8. Business tax incentives for qualifying fuel cells and microturbines (sunset 12/31/09 for fuel cells and 12/31/08 for microturbines) .....	ppisa 12/31/05	---	-5	-10	-15	-12	-6	-4	-2	-1	[2]	[2]	-47	-54
9. Modify investment tax credit for solar energy (sunset 12/31/09).....	ppisa 12/31/05	---	-4	-7	-8	-8	-6	-4	-3	-2	-1	[2]	-33	-43
<b>Total of Conservation and Energy Efficiency .....</b>		<b>-110</b>	<b>-515</b>	<b>-947</b>	<b>-906</b>	<b>-718</b>	<b>-196</b>	<b>-59</b>	<b>-39</b>	<b>-22</b>	<b>4</b>	<b>10</b>	<b>-3,387</b>	<b>-3,491</b>
<b>IV. Alternative Motor Vehicles and Fuels Incentives</b>														
1. Alternative motor vehicle credit (sunset 12/31/09 for hybrid vehicles, 12/31/10 for alternative fuel vehicles, and 12/31/14 for fuel cell vehicles).....	ppisa DOE	-3	-428	-362	-395	-420	-19	-11	-10	-13	-17	-8	-1,628	-1,686
2. Modification and extension of credit for electric vehicles (sunset 12/31/09).....	ppisa DOE	-4	-25	-35	-38	-40	-8	7	5	3	1	[7]	-149	-133
3. Credit for installation of alternative fueling stations credit for property placed in service before 1/1/10 (before 1/1/15 for hydrogen property).....	ppisa 12/31/05	[2]	-3	-8	-13	-21	-17	-8	-6	-3	-1	1	-62	-78
4. Credit for retail sale of and imposition of tax on alternative fuels [8] .....	fsa 9/30/06	---	---	-165	-180	-189	30	39	42	44	47	49	-505	-284
5. Extend excise tax provisions and income tax credit for biodiesel (credit sunset 12/31/10).....	DOE	---	---	-56	-88	-104	-120	-33	---	---	---	---	-368	-402
<b>Total of Alternative Motor Vehicle Fuels Incentives .....</b>		<b>-7</b>	<b>-456</b>	<b>-626</b>	<b>-714</b>	<b>-774</b>	<b>-134</b>	<b>-6</b>	<b>31</b>	<b>31</b>	<b>30</b>	<b>42</b>	<b>-2,712</b>	<b>-2,583</b>
<b>V. Section 45 Technicals .....</b>	<b>[9]</b>	----- <b>No Revenue Effect</b> -----												
<b>NET TOTAL .....</b>		<b>-200</b>	<b>-1,229</b>	<b>-2,199</b>	<b>-2,621</b>	<b>-2,507</b>	<b>-2,168</b>	<b>-1,870</b>	<b>-822</b>	<b>-833</b>	<b>-764</b>	<b>-897</b>	<b>-10,919</b>	<b>-16,097</b>

Joint Committee on Taxation

NOTE: Details may not add to totals due to rounding. Date of enactment is assumed to be August 1, 2005

[Legend and Footnotes for JCX-45-05 appear on the following page]

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**Legend and Footnotes for JCX-45-05:**

Legend for "Effective" column:

apa = appliances produced after  
bia = bonds issued after  
DOE = date of enactment

esqfa = electricity sold from qualifying facilities after  
fsa = fuel sold after  
hpa = homes purchased after

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

- [1] Estimates include interaction effect with the clean energy bond provision (item I.2.).
- [2] Loss of less than \$500,000.
- [3] Excluding assets subject to binding contracts on June 14, 2005 and is restricted to original-use property.
- [4] Revenue estimate is preliminary and subject to change pending further specification of proposal.
- [5] Effective for expenses qualifying for the deduction under section 179B.
- [6] Estimate is based upon proposed Energy Star standards for 2007 and indeterminate Energy Star standards for 2010.
- [7] Gain of less than \$500,000.
- [8] The credit generally expires September 30, 2009. However, for hydrogen, the credit expires after December 31, 2014.
- [9] Effective as if included in the American Jobs Creation Act of 2004.