

117TH CONGRESS
1ST SESSION

H. R. 5179

To amend the Internal Revenue Code of 1986 to extend and modify the credit for carbon oxide sequestration, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 7, 2021

Mr. BEYER (for himself and Ms. DELBENE) introduced the following bill;
which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to extend and modify the credit for carbon oxide sequestration, and for other purposes.

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. SHORT TITLE.**

4 This Act may be cited as the “Negating Emissions
5 to Zero Act of 2021” or the “NET Zero Act of 2021”.

6 **SEC. 2. EXTENSION AND MODIFICATION OF CREDIT FOR**
7 **CARBON OXIDE SEQUESTRATION.**

8 (a) EXTENSION.—Section 45Q(d)(1) is amended by
9 striking “January 1, 2026” and inserting “January 1,
10 2032”.

1 (b) MODIFICATION OF CARBON OXIDE CAPTURE RE-
2 QUIREMENTS.—Section 45Q(d)(2) is amended to read as
3 follows:

4 “(2) which captures—

5 “(A) in the case of a direct air capture fa-
6 cility, not less than 10,000 metric tons of quali-
7 fied carbon oxide during the taxable year,

8 “(B) in the case of an electricity gener-
9 ating facility, not less than 18,750 metric tons
10 of qualified carbon oxide during the taxable
11 year and not less than 75 percent of the carbon
12 oxide that would otherwise be released into the
13 atmosphere by such facility during such taxable
14 year, and

15 “(C) in the case of any other facility, not
16 less than 12,500 metric tons of qualified carbon
17 oxide during the taxable year and not less than
18 50 percent of the carbon oxide that would oth-
19 erwise be released into the atmosphere by such
20 facility during such taxable year.”.

21 (c) DETERMINATION OF APPLICABLE DOLLAR
22 AMOUNT.—

23 (1) IN GENERAL.—Section 45Q(b)(1) is amend-
24 ed by redesignating subparagraph (B) as subpara-

graph (C) and by inserting after subparagraph (A) the following new subparagraph:

“(B) SPECIAL RULE FOR DIRECT AIR CAPTURE FACILITIES.—For any taxable year beginning after December 31, 2021, in the case of any qualified facility described in subsection (d)(2)(C), the applicable dollar amount shall be an amount equal to—

“(i) for purposes of paragraph (3) of subsection (a), an amount equal to the product of \$180 and the inflation adjustment factor for such calendar year determined under section 43(b)(3)(B) for such calendar year, determined by substituting ‘2020’ for ‘1990’, and

“(ii) for purposes of paragraph (4) of such subsection, an amount equal to the product of \$130 and the inflation adjustment factor for such calendar year determined under section 43(b)(3)(B) for such calendar year, determined by substituting ‘2020’ for ‘1990’.”.

(2) CONFORMING AMENDMENTS.—

(A) Section 45Q(b)(1)(A) is amended by striking “The applicable dollar amount” and in-

1 serting “Except as provided in subparagraph
2 (B), the applicable dollar amount”.

3 (B) Section 45Q(b)(1)(C), as redesignated
4 by subparagraph (A), is amended by striking
5 “subparagraph (A)” and inserting “subpara-
6 graph (A) or (B)”.

7 (d) EFFECTIVE DATES.—

8 (1) EXTENSION.—The amendment made by
9 subsection (a) shall apply to facilities the construc-
10 tion of which begins after December 31, 2025.

11 (2) OTHER AMENDMENTS.—The amendments
12 made by subsections (b) and (c) shall apply to tax-
13 able years beginning after December 31, 2021.

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