

117TH CONGRESS  
1ST SESSION

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

To amend the Internal Revenue Code of 1986 to modify the qualifying advanced coal project credit, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

Mr. HOEVEN (for himself, Ms. SMITH, Mr. CRAMER, Mr. MANCHIN, Mr. DAINES, Mrs. CAPITO, Mr. BARRASSO, and Mr. TESTER) 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 modify the qualifying advanced coal project credit, 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 “Carbon Capture Mod-  
5 ernization Act”.

6 **SEC. 2. MODIFICATIONS OF QUALIFYING ADVANCED COAL**  
7 **PROJECT CREDIT.**

8 (a) SEQUESTRATION REQUIREMENT FOR CERTAIN  
9 EQUIPMENT.—Section 48A(e)(1)(G) of the Internal Rev-

1 enue Code of 1986 is amended by inserting “and 60 per-  
2 cent in the case of an application for a reallocation of cred-  
3 its under subsection (d)(4) with respect to an electrical  
4 generating unit in existence on October 3, 2008” after  
5 “under subsection (d)(4)”.

6 (b) NAMEPLATE GENERATING CAPACITY REQUIRE-  
7 MENT.—Section 48A(e)(1)(C) of such Code is amended by  
8 striking “400 megawatts” and inserting “200  
9 megawatts”.

10 (c) ADVANCED COAL-BASED GENERATION TECH-  
11 NOLOGY REQUIREMENTS.—

12 (1) IN GENERAL.—Section 48A(f)(1) of such  
13 Code is amended by striking “generation technology  
14 if—” and all that follows through “the unit is de-  
15 signed” and inserting “generation technology if the  
16 unit is designed”.

17 (2) CONFORMING AMENDMENTS.—Section  
18 48A(f) is amended—

19 (A) by striking all that precedes “the pur-  
20 pose of this section” and inserting the fol-  
21 lowing:

22 “(f) ADVANCED COAL-BASED GENERATION TECH-  
23 NOLOGY.—For”,

1 (B) by striking “in subparagraph (B)” in  
2 the second sentence and inserting “in this sub-  
3 section”, and

4 (C) by striking paragraphs (2) and (3).

5 (d) PERFORMANCE REQUIREMENTS IN CASE OF  
6 BEST AVAILABLE CONTROL TECHNOLOGY.—Section  
7 48A(f) of such Code, as amended by this Act, is amended  
8 by adding at the end the following: “In the case of a ret-  
9 rofit of a unit which has undergone a best available control  
10 technology analysis after August 8, 2005, with respect to  
11 the removal or emissions of any pollutant which is SO<sub>2</sub>  
12 or NO<sub>x</sub>, the removal or emissions design level with respect  
13 to such pollutant shall be the level determined in such  
14 analysis.”.

15 (e) CLARIFICATION OF REALLOCATION AUTHOR-  
16 ITY.—Section 48A(d)(4) of the Internal Revenue Code of  
17 1986 is amended—

18 (1) in subparagraph (A)—

19 (A) by striking “Not later than 6 years  
20 after the date of enactment of this section, the”  
21 and inserting “The”, and

22 (B) by inserting “and every 6 months  
23 thereafter until all credits available under this  
24 section have been allowed” after “the date

1 which is 6 years after the date of enactment of  
2 this section”,

3 (2) in subparagraph (B)—

4 (A) by striking “may reallocate credits  
5 available under clauses (i) and (ii) of paragraph  
6 (3)(B)” and inserting “shall reallocate credits  
7 remaining available under paragraph (3)”,

8 (B) by striking “or” at the end of clause  
9 (i), and

10 (C) by striking clause (ii) and inserting the  
11 following:

12 “(ii) any applicant for certification  
13 which submitted an accepted application  
14 has subsequently failed to satisfy the re-  
15 quirements under paragraph (2)(D), or

16 “(iii) any certification made pursuant  
17 to paragraph (2) has been revoked pursu-  
18 ant to paragraph (2)(E).”, and

19 (3) in subparagraph (C)—

20 (A) by striking “clause (i) or (ii) of para-  
21 graph (3)(B)” and inserting “paragraph (3)”,

22 (B) by striking “is authorized to” and in-  
23 serting “shall”, and

24 (C) by striking “an additional program”  
25 and inserting “additional programs”.

1 (f) EFFECTIVE DATE.—

2 (1) IN GENERAL.—Except as provided in para-  
3 graph (2), the amendments made by this section  
4 shall apply to allocations and reallocations after the  
5 date of the enactment of this Act.

6 (2) REALLOCATION.—The amendments made  
7 by subsection (e) shall apply to credits remaining  
8 available under section 48A(d)(3) of the Internal  
9 Revenue Code of 1986 on the date of the enactment  
10 of this Act.