

103^D CONGRESS
2^D SESSION

S. 2117

To amend the Internal Revenue Code of 1986 to exclude from the application of the luxury automobile excise tax the value of components required for a vehicle to be powered by clean-burning fuel, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MAY 16, 1994

Mrs. BOXER introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to exclude from the application of the luxury automobile excise tax the value of components required for a vehicle to be powered by clean-burning fuel, 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. EXCLUSION OF CLEAN-FUEL VEHICLE COMPO-**
4 **NENTS FROM APPLICATION OF LUXURY**
5 **AUTOMOBILE EXCISE TAX.**

6 (a) IN GENERAL.—Subparagraph (B) of section
7 4002(d)(1) of the Internal Revenue Code of 1986 (relating
8 to determination of price) is amended by striking “and”

1 at the end of clause (ii), and by inserting after clause (iii)
2 the following new clause:

3 “(iv) the value of—

4 “(I) any qualified clean-fuel vehi-
5 cle property (within the meaning of
6 section 179A(c)) to the extent of the
7 basis described in paragraph (1)(B) of
8 such section, or

9 “(II) any component of such pas-
10 senger vehicle to the extent such com-
11 ponent enables such vehicle to qualify
12 as a qualified electric vehicle (as de-
13 fined in section 30(c)(1)(A)), and”.

14 (b) SEPARATE PURCHASE OF PARTS AND ACCES-
15 SORIES.—Paragraph (3) of section 4003(a) of the Internal
16 Revenue Code of 1986 (relating to separate purchase of
17 vehicle and parts and accessories therefor) is amended by
18 striking “or” at the end of subparagraph (B), by redesign-
19 ing subparagraph (C) as subparagraph (D), and by in-
20 serting after subparagraph (B) the following new subpara-
21 graph:

22 “(C) the part or accessory installed—

23 “(i) is described in paragraph (1)(A)
24 of section 179A(c) with respect to a quali-

1 fied clean-fuel vehicle property (within the
2 meaning of section 179A(c)), or

3 “(ii) enables the vehicle to qualify as
4 a qualified electric vehicle (as defined in
5 section 30(c)(1)(A)), or”.

6 (c) EFFECTIVE DATE.—The amendments made by
7 this section shall apply to sales and installations occur-
8 ring—

9 (1) on or after the date of the enactment of this
10 Act, and

11 (2) before the earlier of—

12 (A) the date the tax imposed under section
13 4001 of the Internal Revenue Code of 1986 no
14 longer applies, or

15 (B) January 1, 2005.

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