

110TH CONGRESS
1ST SESSION

S. 425

To amend the Internal Revenue Code of 1986 to expand the resources eligible for the renewable energy credit to kinetic hydropower, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JANUARY 29, 2007

Mr. SMITH (for himself and Mr. WYDEN) 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 expand the resources eligible for the renewable energy credit to kinetic hydropower, 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. EXPANSION OF RESOURCES ELIGIBLE FOR RE-
4 NEWABLE ENERGY CREDIT TO KINETIC HY-
5 DROPOWER.**

6 (a) IN GENERAL.—Section 45(c)(1) of the Internal
7 Revenue Code of 1986 (defining qualified energy re-
8 sources) is amended by striking “and” at the end of sub-
9 paragraph (G), by striking the period at the end of sub-

1 paragraph (H) and inserting “, and”, and by adding at
2 the end the following new subparagraph:

3 “(I) kinetic hydropower.”.

4 (b) DEFINITION OF RESOURCES.—Section 45(c) of
5 the Internal Revenue Code of 1986 is amended by adding
6 at the end the following new paragraph:

7 “(10) KINETIC HYDROPOWER.—The term ‘ki-
8 netic hydropower’ means any of the following:

9 “(A) Ocean free flowing water derived
10 from flows from tidal currents, ocean currents,
11 waves, or estuary currents.

12 “(B) Ocean thermal energy.

13 “(C) Free flowing water in rivers, lakes,
14 man made channels, or streams.”.

15 (c) FACILITIES.—Section 45(d) of the Internal Rev-
16 enue Code of 1986 (relating to qualified facilities) is
17 amended by adding at the end the following new para-
18 graph:

19 “(11) KINETIC HYDROPOWER FACILITY.—In
20 the case of a facility using kinetic hydropower to
21 produce electricity, the term ‘qualified facility’
22 means any facility owned by the taxpayer which is
23 originally placed in service after the date of the en-
24 actment of this paragraph and before January 1,

1 2011. Such term shall not include a facility which
2 includes impoundment structures.”.

3 (d) EFFECTIVE DATE.—The amendments made by
4 this section shall apply to taxable years ending after the
5 date of the enactment of this Act.

○