IN THE SENATE OF THE UNITED STATES

Mr. Luján introduced the following bill; which was read twice and referred
to the Committee on __________________

A BILL

To amend the Internal Revenue Code of 1986 to enhance the carbon oxide sequestration credit.

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. ENHANCEMENT OF CARBON OXIDE SEQUES-
4 TRATION CREDIT.

5 (a) INCREASE IN APPLICABLE DOLLAR AMOUNT.—
6 Subparagraph (A) of section 45Q(b)(1) of the Internal
7 Revenue Code of 1986 is amended to read as follows:

8 “(A) IN GENERAL.—For any taxable year
9 beginning in a calendar year after 2021, the ap-
plicable dollar amount shall be an amount equal
to—

“(i) for purposes of paragraph (3) of
subsection (a), an amount equal to the
product of $85 and the inflation adjust-
ment factor for such calendar year deter-
mined 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 $60 and the inflation adjust-
ment factor for such calendar year deter-
mined under section 43(b)(3)(B) for such
calendar year, determined by substituting
‘2025’ for ‘1990.’”.

(b) Definition of Qualified Facility.—Para-
graph (2) of section 45Q(d) of the Internal Revenue Code
of 1986 is amended to read as follows:

“(2) at which carbon capture equipment in-
stalled at such facility captures qualified carbon
oxide during the taxable year.”.

(e) Effective Date.—The amendments made by
this section shall apply to taxable years beginning after
December 31, 2021.