

117TH CONGRESS  
1ST SESSION

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

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

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IN THE SENATE OF THE UNITED STATES

Mr. LUJÁN (for himself, Mr. BARRASSO, Mr. GRASSLEY, Ms. STABENOW, Ms. SMITH, Mr. CRAMER, and Mr. COONS) 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 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-

1 plicable dollar amount shall be an amount equal  
2 to—

3 “(i) for purposes of paragraph (3) of  
4 subsection (a), an amount equal to the  
5 product of \$85 and the inflation adjust-  
6 ment factor for such calendar year deter-  
7 mined under section 43(b)(3)(B) for such  
8 calendar year, determined by substituting  
9 ‘2020’ for ‘1990’, and

10 “(ii) for purposes of paragraph (4) of  
11 such subsection, an amount equal to the  
12 product of \$60 and the inflation adjust-  
13 ment factor for such calendar year deter-  
14 mined under section 43(b)(3)(B) for such  
15 calendar year, determined by substituting  
16 ‘2025’ for ‘1990.’”.

17 (b) DEFINITION OF QUALIFIED FACILITY.—Para-  
18 graph (2) of section 45Q(d) of the Internal Revenue Code  
19 of 1986 is amended to read as follows:

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

23 (c) EFFECTIVE DATE.—The amendments made by  
24 this section shall apply to taxable years beginning after  
25 December 31, 2021.