AMENDMENT NO. 436

By Coburn

Tent

Act

Re

IN THE SENATE OF THE UNITED STATES

Purpose: To repeal the Volumetric Ethanol Excise Tax Credit.

AMENDMENT intended to be proposed by Mr. COBURN (for himself and Mrs. FEINSTEIN)

Viz:

1 At the end, add the following:

2 SEC. ___ REPEAL OF VEETC.

3 (a) SHORT TITLE.—This section may be cited as the

4 “Ethanol Subsidy and Tariff Repeal Act”.

5 (b) REPEAL OF VEETC.—

6 (1) ELIMINATION OF EXCISE TAX CREDIT OR

7 PAYMENT.—

8 (A) Section 6426(b)(6) of the Internal

9 Revenue Code of 1986 is amended by striking

10 “December 31, 2011” and inserting “the later

11 of June 30, 2011, or the date of the enactment
of the Ethanol Subsidy and Tariff Repeal Act”.

(B) Section 6427(e)(6)(A) of such Code is amended by striking “December 31, 2011” and inserting “the later of June 30, 2011, or the date of the enactment the Ethanol Subsidy and Tariff Repeal Act”.

(2) ELIMINATION OF INCOME TAX CREDIT:—

The table contained in section 40(h)(2) of the Internal Revenue Code of 1986 is amended—

(A) by striking “2011” and inserting “the later of June 30, 2011, or the date of the enactment of the Ethanol Subsidy and Tariff Repeal Act”, and

(B) by adding at the end the following:

“After such date ........................................... zero zero”.

(3) REPEAL OF DEADWOOD.—

(A) Section 40(h) of the Internal Revenue Code of 1986 is amended by striking paragraph (3).

(B) Section 6426(b)(2) of such Code is amended by striking subparagraph (C).

(4) EFFECTIVE DATE.—The amendments made by this subsection shall apply to any sale, use, or re-
moval for any period after the later of June 30, 2011, or the date of the enactment of the Act.

(c) REMOVAL OF TARIFFS ON ETHANOL.—

(1) DUTY-FREE TREATMENT.—Chapter 98 of the Harmonized Tariff Schedule of the United States is amended by adding at the end the following new subchapter:

"Subchapter XXIII
Alternative Fuels

<table>
<thead>
<tr>
<th>Heading/Subheading</th>
<th>Article Description</th>
<th>Rates of Duty</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Ethyl alcohol (provided for in subheadings 2229.10.60 and 2227.30) or any mixture containing such ethyl alcohol (provided for in heading 2710 or 2934) if each ethyl alcohol or mixture is to be used as a fuel or in producing a mixture of gasoline and alcohol, a mixture of a special fuel and alcohol, or any other mixture to be used as fuel (including motor fuel provided for in subheading 2710.10.15, 2710.10.15 or 2710.19.33), or is suitable for any such use</td>
<td>1</td>
</tr>
</tbody>
</table>
|                    |                    | General | Special | 26% *

(2) CONFORMING AMENDMENTS.—Subchapter I of chapter 99 of the Harmonized Tariff Schedule of the United States is amended—

(A) by striking heading 9901.00.50; and

(B) by striking U.S. notes 2 and 3.

(3) EFFECTIVE DATE.—The amendments made by this subsection apply to goods entered, or withdrawn from warehouse for consumption, on or after the later of June 30, 2011, or the date of the enactment of this Act.