SEC. 6433. CREDIT FOR FUEL REFINED AT CERTAIN INDEPENDENT REFINERIES.

(a) ALLOWANCE OF CREDIT.—In the case of an eligible taxpayer, there shall be allowed as a credit against the tax imposed by section 4081 an amount equal to the product of—

“(1) the number of barrels of crude oil which—

“(A) are received after December 31, 2015, at a refinery owned by the eligible taxpayer, and

“(B) not taken into account under this section for any preceding period, and

“(2) $3.

“(b) LIMITATION.—The amount of crude oil taken into account under subsection (a) for any day shall not exceed 155,000 barrels.

“(c) SPECIAL RULE FOR CERTAIN REFINERIES RECEIVING CRUDE OIL BY LONG-DISTANCE PIPELINE.—
“(1) IN GENERAL.—In the case of crude oil received at a refinery which is capable of receiving crude oil from a pipeline which is in excess of 35 miles long as of January 1, 2015, subsection (a) shall be applied by substituting ‘$0.30’ for ‘$3’ in paragraph (2) thereof.

“(2) ORDERING RULE.—For purposes of applying the limitation under subsection (b), crude oil shall be treated as being received first at refineries to which paragraph (1) does not apply.

“(d) DEFINITIONS AND SPECIAL RULES.—In this section—

“(1) ELIGIBLE TAXPAYER.—

“(A) IN GENERAL.—The term ‘eligible taxpayer’ means any taxpayer who owns a refinery other than a major integrated oil company (as defined in section 167(h)(5)(B)).

“(B) AGGREGATION RULES.—For purposes of determining gross receipts under subparagraph (B), all persons treated as a single employer under subsection (a) or (b) of section 52 shall be treated as one person.

“(2) BARREL.—The term ‘barrel’ means 42 United States gallons.
“(3) Fractional Rate of Barrel.—In the case of a fraction of a barrel, the credit allowed under subsection (a) shall be the same fraction of the amount of such credit with respect to a whole barrel.

“(e) Termination.—This section shall not apply to crude oil received after December 31, 2022.”.

(2) Protection of Highway Trust Fund.—
The last sentence of section 9503(b)(1) of such Code is amended by inserting “or 6433” after “6426”.

(3) Clerical Amendment.—The table of sections for subchapter B of chapter 65 of subtitle F of such Code is amended by adding at the end the following new item:

“Sec. 6433. Credit for fuel refined at certain independent refineries.”.

(b) Credit Against Income Taxes.—

(1) In General.—Subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following new section:

“SEC. 45S. INDEPENDENT REFINERY CREDIT.

“(a) Allowance of Credits.—For purposes of section 38, in the case of an eligible taxpayer, the independent refinery credit determined under this section for the taxable year is an amount equal to the product of—

“(1) the number of barrels of crude oil which—
“(A) are received after December 31, 2015, at a refinery owned by the eligible taxpayer, and

“(B) not taken into account under this section for any preceding taxable year, and

“(2) $3.

“(b) Limitation.—The amount of crude oil taken into account under subsection (a) for any day shall not exceed 155,000 barrels.

“(c) Special Rule for Certain Refineries Receiving Crude Oil by Long-Distance Pipeline.—

“(1) In general.—In the case of crude oil received at a refinery which is capable of receiving crude oil from a pipeline which is in excess of 35 miles long as of January 1, 2015, subsection (a) shall be applied by substituting ‘$0.30’ for ‘$3’ in paragraph (2) thereof.

“(2) Ordering rule.—For purposes of applying the limitation under subsection (b), crude oil shall be treated as being received first at refineries to which paragraph (1) does not apply.

“(d) Definitions and Special Rules.—For purposes of this section—
“(1) any term used in this section which is used in section 6433 shall have the meaning given such term under section 6433, and

“(2) rules similar to the rules of section 6433(d)(3) shall apply.

“(e) COORDINATION WITH CREDIT AGAINST EXCISE TAX.—The amount of the credit determined under this section with respect to any crude oil shall be reduced to take into account any benefit provided with respect to such crude oil under section 6433.

“(f) TERMINATION.—This section shall not apply to crude oil received after December 31, 2022.”.

(2) TREATMENT AS PART OF GENERAL BUSINESS CREDIT.—Section 38(b) of such Code is amended by striking “plus” at the end of paragraph (35), by striking the period at the end of paragraph (36) and inserting “, plus”, and by adding at the end the following new paragraph:

“(37) the independent refinery credit determined under section 45S(a).”.

(3) DENIAL OF DOUBLE BENEFIT.—Section 280C of such Code is amended by adding at the end the following new subsection:

“(j) CREDIT FOR INDEPENDENT REFINERIES.—No deduction shall be allowed for that portion of the expenses...
otherwise allowable as a deduction taken into account in
determining the credit under section 45S for the taxable
year which is equal to the amount of the credit determined
for such taxable year under section 45S(a).”

(4) CLERICAL AMENDMENT.—The table of sec-
tions for subpart D of part IV of subchapter A of
chapter 1 of such Code is amended by adding at the
end the following new item:

“45S. Independent refinery credit.”.

(c) EFFECTIVE DATE.—The amendments made by
this section shall apply to crude oil received after Decem-
ber 31, 2015.