

1 **SEC. _____. CREDIT FOR FUEL REFINED AT CERTAIN RE-**
2 **FINERIES.**

3 (a) CREDIT AGAINST EXCISE TAXES.—

4 (1) IN GENERAL.—Subchapter B of chapter 65
5 of subtitle F of the Internal Revenue Code is amend-
6 ed by adding at the end the following new section:

7 **“SEC. 6433. CREDIT FOR FUEL REFINED AT CERTAIN INDE-**
8 **PENDENT REFINERIES.**

9 “(a) ALLOWANCE OF CREDIT.—In the case of an eli-
10 gible taxpayer, there shall be allowed as a credit against
11 the tax imposed by section 4081 an amount equal to the
12 product of—

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

14 “(A) are received after December 31,
15 2015, at a refinery owned by the eligible tax-
16 payer, and

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

19 “(2) \$3.

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

23 “(c) SPECIAL RULE FOR CERTAIN REFINERIES RE-
24 CEIVING CRUDE OIL BY LONG-DISTANCE PIPELINE.—

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

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

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

13 “(1) ELIGIBLE TAXPAYER.—

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

18 “(B) AGGREGATION RULES.—For purposes
19 of determining gross receipts under subpara-
20 graph (B), all persons treated as a single em-
21 ployer under subsection (a) or (b) of section 52
22 shall be treated as one person.

23 “(2) BARREL.—The term ‘barrel’ means 42
24 United States gallons.

1 “(3) FRACTIONAL RATE OF BARREL.—In the
2 case of a fraction of a barrel, the credit allowed
3 under subsection (a) shall be the same fraction of
4 the amount of such credit with respect to a whole
5 barrel.

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

8 (2) PROTECTION OF HIGHWAY TRUST FUND.—
9 The last sentence of section 9503(b)(1) of such Code
10 is amended by inserting “or 6433” after “6426”.

11 (3) CLERICAL AMENDMENT.—The table of sec-
12 tions for subchapter B of chapter 65 of subtitle F
13 of such Code is amended by adding at the end the
14 following new item:

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

15 (b) CREDIT AGAINST INCOME TAXES.—

16 (1) IN GENERAL.—Subpart D of part IV of
17 subchapter A of chapter 1 of the Internal Revenue
18 Code of 1986 is amended by adding at the end the
19 following new section:

20 **“SEC. 45S. INDEPENDENT REFINERY CREDIT.**

21 “(a) ALLOWANCE OF CREDITS.—For purposes of sec-
22 tion 38, in the case of an eligible taxpayer, the inde-
23 pendent refinery credit determined under this section for
24 the taxable year is an amount equal to the product of—

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

1 “(A) are received after December 31,
2 2015, at a refinery owned by the eligible tax-
3 payer, and

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

6 “(2) \$3.

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

10 “(c) SPECIAL RULE FOR CERTAIN REFINERIES RE-
11 CEIVING CRUDE OIL BY LONG-DISTANCE PIPELINE.—

12 “(1) IN GENERAL.—In the case of crude oil re-
13 ceived at a refinery which is capable of receiving
14 crude oil from a pipeline which is in excess of 35
15 miles long as of January 1, 2015, subsection (a)
16 shall be applied by substituting ‘\$0.30’ for ‘\$3’ in
17 paragraph (2) thereof.

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

22 “(d) DEFINITIONS AND SPECIAL RULES.—For pur-
23 poses of this section—

1 “(1) any term used in this section which is used
2 in section 6433 shall have the meaning given such
3 term under section 6433, and

4 “(2) rules similar to the rules of section
5 6433(d)(3) shall apply.

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

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

13 (2) TREATMENT AS PART OF GENERAL BUSI-
14 NESS CREDIT.—Section 38(b) of such Code is
15 amended by striking “plus” at the end of paragraph
16 (35), by striking the period at the end of paragraph
17 (36) and inserting “, plus”, and by adding at the
18 end the following new paragraph:

19 “(37) the independent refinery credit deter-
20 mined under section 45S(a).”.

21 (3) DENIAL OF DOUBLE BENEFIT.—Section
22 280C of such Code is amended by adding at the end
23 the following new subsection:

24 “(j) CREDIT FOR INDEPENDENT REFINERIES.—No
25 deduction shall be allowed for that portion of the expenses

1 otherwise allowable as a deduction taken into account in
2 determining the credit under section 45S for the taxable
3 year which is equal to the amount of the credit determined
4 for such taxable year under section 45S(a).”.

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

“45S. Independent refinery credit.”.

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