

Tax Extenders Act of 2017 (S. 2256 – 115th Congress)

Senate Finance Committee Chairman Orrin Hatch (R-UT) introduced a tax extenders bill on December 20, 2017. The bill would generally extend provisions that expired in 2016 for two additional years through 2018. Please find below a chart describing the provisions included in the bill and the recently-expired tax provisions that were not included.

Energy

PROVISION	EXPIRATION	INCLUDED IN “TAX EXTENDERS ACT OF 2017”?
Credit for certain nonbusiness energy property (sec. 25C(g))	12/31/16	Yes, for two additional years through 2018.
Credit for residential energy property (sec. 25D)	12/31/16	Yes, for five additional years through 2021 but phases down to 26% in 2020, and 22% in 2021.
Credit for qualified fuel cell motor vehicles (sec. 30B(k)(1))	12/31/16	Yes, for two additional years through 2018.
Credit for alternative fuel vehicle refueling property (sec. 30C(g))	12/31/16	Yes, for two additional years through 2018.
Credit for two-wheeled plug-in electric vehicles (sec. 30D(g)(3)(E)(ii))	12/31/16	Yes, for two additional years through 2018.
Second generation biofuel producer credit (sec. 40(b)(6)(J))	12/31/16	Yes, for two additional years through 2018.
Incentives for biodiesel and renewable diesel: <ul style="list-style-type: none"> a. Income tax credits for biodiesel fuel, biodiesel used to produce a qualified mixture, and small agri-biodiesel producers (sec. 40A) b. Income tax credits for renewable diesel fuel and renewable diesel used to produce a qualified mixture (sec. 40A) c. Excise tax credits and outlay payments for biodiesel fuel mixtures (secs. 6426(c)(6) and 6427(e)(6)(B)) 	12/31/16	Yes, for two additional years through 2018.

d. Excise tax credits and outlay payments for renewable diesel fuel mixtures (secs. 6426(c)(6) and 6427(e)(6)(B))		
Beginning-of-construction date for non-wind renewable power facilities eligible to claim the electricity production credit or investment credit in lieu of the production credit ³ (secs. 45(d) and 48(a)(5))	12/31/16	Yes, for two additional years through 2018.
Credit for production of Indian coal (sec. 45(e)(10)(A))	12/31/16	Yes, for two additional years through 2018.
Credit for construction of new energy efficient homes (sec. 45L(g))	12/31/16	Yes, for two additional years through 2018.
Mine rescue team training credit (sec. 45N)	12/31/16	Yes, for two additional years through 2018.
Credit for hybrid solar lighting system property (sec. 48(a)(3)(A)(ii))	12/31/16	Yes, for five additional years through 2021 but phases down to 26% in 2020, and 22% in 2021.
Credit for geothermal heat pump property, small wind property, and combined heat and power property (secs. 48(a)(3)(A)(vii), 48(c)(4), and 48(c)(3)(A)(iv))	12/31/16	Yes, for five additional years through 2021 but phases down to 26% in 2020, and 22% in 2021.
Credit for qualified fuel cell and stationary microturbine power plant property (secs. 48(c)(1)(D) and (c)(2)(D))	12/31/16	Yes, for five additional years through 2021 but phases down to 26% in 2020, and 22% in 2021.
Five-year cost recovery for certain energy property (secs. 168(e)(3)(B)(vi)(I) and 48(a)(3)(A))	12/31/16	No provisions included.
Energy efficient commercial buildings deduction (sec. 179D(h))	12/31/16	Yes, for two additional years through 2018.
Special rule for sales or dispositions to implement Federal Energy Regulatory Commission (“FERC”) or State electric restructuring policy (sec. 451(i))	12/31/16	Yes, for two additional years through 2018.
Oil Spill Liability Trust Fund financing rate (sec. 4611(f)(2))	12/31/17	Yes, for one additional years through 2018.
Incentives for alternative fuel and alternative fuel mixtures:	12/31/16	Yes, for two additional years through 2018.

a. Excise tax credits and outlay payments for alternative fuel (secs. 6426(d)(5) and 6427(e)(6)(C))		
b. Excise tax credits for alternative fuel mixtures (sec. 6426(e)(3))		
Credit for Production from Advanced Nuclear Power Facilities (Sec. 45J)	12/31/2020	Yes, allocates unutilized national megawatt capacity limitation beyond 2020 and allow credit transferability.
Credit for Carbon Dioxide Sequestration (sec. 45Q)	N/A	Yes, increases credit rate.

Housing

PROVISION	EXPIRATION	INCLUDED IN “TAX EXTENDERS ACT OF 2017”?
Discharge of indebtedness on principal residence excluded from gross income of individuals (sec. 108(a)(1)(E))	12/31/16	Yes, for two additional years through 2018.
Premiums for mortgage insurance deductible as interest that is qualified residence interest (sec. 163(h)(3))	12/31/16	Yes, for two additional years through 2018.

Cost Recovery

PROVISION	EXPIRATION	INCLUDED IN “TAX EXTENDERS ACT OF 2017”?
Railroad track maintenance credit (sec. 45G(f))	12/31/16	Yes, for two additional years through 2018.
Three-year depreciation for race horses two years old or younger (sec. 168(e)(3)(A))	12/31/16	Yes, for two additional years through 2018.
Seven-year recovery period for motorsports entertainment complexes (secs. 168(i)(15) and 168(e)(3)(C)(ii))	12/31/16	Yes, for two additional years through 2018.
Accelerated depreciation for business property on an Indian reservation (sec. 168(j))	12/31/16	Yes, for two additional years through 2018.

Election to expense advanced mine safety equipment (sec. 179E(g))	12/31/16	Yes, for two additional years through 2018.
Special expensing rules for certain film, television, and live theatrical productions (sec. 181)	12/31/16	Yes, for two additional years through 2018.

Economic Development

PROVISION	EXPIRATION	INCLUDED IN “TAX EXTENDERS ACT OF 2017”?
Indian employment credit (sec. 45A(f))	12/31/16	Yes, for two additional years through 2018.
Temporary increase in limit on cover over of rum excise tax revenues (from \$10.50 to \$13.25 per proof gallon) to Puerto Rico and the Virgin Islands (sec. 7652(f))	12/31/16	Yes, for two additional years through 2018.
American Samoa economic development credit (sec. 119 of Pub. L. No. 109-432 as amended by sec. 756 of Pub. L. No. 111-312)	12/31/16	Yes, retroactive for 2017.

Other

PROVISION	EXPIRATION	INCLUDED IN “TAX EXTENDERS ACT OF 2017”?
Qualified zone academy bonds: allocation of bond limitation (sec. 54E(c)(1))	12/31/16	Yes, for two additional years through 2018.
Deduction for qualified tuition and related expenses (sec. 222(e))	12/31/16	Yes, for two additional years through 2018.
Special rate for qualified timber gains (sec. 1201(b))	12/31/16	Yes, retroactive to 2017.
Empowerment zone tax incentives: a. Designation of an empowerment zone and of additional empowerment zones (secs. 1391(d)(1)(A)(i) and (h)(2))	12/31/16	Yes, for two additional years through 2018.

<p>b. Empowerment zone tax-exempt bonds (secs. 1394 and 1391(d)(1)(A)(i))</p> <p>c. Empowerment zone employment credit (secs. 1396 and 1391(d)(1)(A)(i))</p> <p>d. Increased expensing under sec. 179 (secs. 1397A and 1391(d)(1)(A)(i))</p> <p>e. Nonrecognition of gain on rollover of empowerment zone investments (secs. 1397B and 1391(d)(1)(A)(i))</p>		
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