

*Tom Coburn*

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Patrick  
BW  
5-3-11

AMENDMENT NO. \_\_\_\_\_ Calendar No. \_\_\_\_\_

Purpose: To repeal the Volumetric Ethanol Excise Tax Credit and the tariffs on ethanol.

IN THE SENATE OF THE UNITED STATES—112th Cong., 1st Sess.

**S. 493**

To **AMENDMENT N<sup>o</sup> 309** rams,

By Coburn

Ref To: S. 493 and

3

Page(s)

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

Viz:

**MR. BURR, MR. WEBB, MS. COLLINS, MR. CARDIN, AND MR. RISCH)**

- 1 At the end of title V, 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) **ELIMINATION OF EXCISE TAX CREDIT OR PAY-**
- 6 **MENT.**—
- 7 (1) Section 6426(b)(6) of the Internal Revenue
- 8 Code of 1986 is amended by striking “December 31,
- 9 2011” and inserting “the later of June 30, 2011, or
- 10 the date of the enactment of the Ethanol Subsidy
- 11 and Tariff Repeal Act)”.

1           (2) Section 6427(e)(6)(A) of such Code is  
 2           amended by striking “December 31, 2011” and in-  
 3           serting “the later of June 30, 2011, or the date of  
 4           the enactment the Ethanol Subsidy and Tariff Re-  
 5           peal Act”.

6           (c) ELIMINATION OF INCOME TAX CREDIT.—The  
 7           table contained in section 40(h)(2) of the Internal Rev-  
 8           enue Code of 1986 is amended—

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

12           (2) by adding at the end the following:

“After such date ..... zero zero”.

13           (d) REPEAL OF DEADWOOD.—

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

16           (2) Section 6426(b)(2) of such Code is amend-  
 17           ed by striking subparagraph (C).

18           (e) EFFECTIVE DATE.—The amendments made by  
 19           this section shall apply to any sale, use, or removal for  
 20           any period after the later of June 30, 2011, or the date  
 21           of the enactment of the Act.

22           **SEC. \_\_\_\_\_. REMOVAL OF TARIFFS ON ETHANOL.**

23           (a) DUTY-FREE TREATMENT.—Chapter 98 of the  
 24           Harmonized Tariff Schedule of the United States is

1 amended by adding at the end the following new sub-  
 2 chapter:

“Subchapter XXIII  
 Alternative Fuels

Head- ing/ Sub- heading	Article Description	Rates of Duty		
		1		2
		General	Special	
9823.01.01	Ethyl alcohol (provided for in subheadings 2207.10.60 and 2207.20) or any mixture containing such ethyl alcohol (provided for in heading 2710 or 3824) if such 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 2710.11.15, 2710.19.15 or 2710.19.21), or is suitable for any such uses .....	Free	Free	20%”

3 (b) CONFORMING AMENDMENTS.—Subchapter I of  
 4 chapter 99 of the Harmonized Tariff Schedule of the  
 5 United States is amended—

- 6 (1) by striking heading 9901.00.50; and
- 7 (2) by striking U.S. notes 2 and 3.

8 (c) EFFECTIVE DATE.—The amendments made by  
 9 this section apply to goods entered, or withdrawn from  
 10 warehouse for consumption, on or after the later of June  
 11 30, 2011, or the date of the enactment of this Act.