

116TH CONGRESS  
1ST SESSION

**S.** \_\_\_\_\_

To amend the Internal Revenue Code of 1986 to permanently extend the Indian coal production tax credit, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

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Mr. DAINES introduced the following bill; which was read twice and referred to the Committee on \_\_\_\_\_

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## A BILL

To amend the Internal Revenue Code of 1986 to permanently extend the Indian coal production tax credit, and for other purposes.

1        *Be it enacted by the Senate and House of Representa-*  
2        *tives of the United States of America in Congress assembled,*

3        **SECTION 1. PERMANENT EXTENSION OF INDIAN COAL PRO-**  
4        **DUCTION TAX CREDIT.**

5        (a) IN GENERAL.—Section 45(e)(10) of the Internal  
6        Revenue Code of 1986 is amended—

7                (1) in subparagraph (A), by striking “the appli-  
8        cable dollar amount per ton of Indian coal” and all  
9        that follows and inserting the following: “\$4.00 per  
10       ton of Indian coal—

1 “(i) produced by the taxpayer at an  
2 Indian coal production facility, and

3 “(ii) sold (either directly by the tax-  
4 payer or after sale or transfer to one or  
5 more related persons) to an unrelated per-  
6 son during such taxable year.”, and

7 (2) by striking subparagraph (B) and inserting  
8 the following:

9 “(B) INFLATION ADJUSTMENT.—In the  
10 case of any calendar year after 2018, the dollar  
11 amount in subparagraph (A) shall be equal to  
12 the product of such dollar amount and the in-  
13 flation adjustment factor determined under  
14 paragraph (2)(B) for the calendar year, except  
15 that such paragraph shall be applied by sub-  
16 stituting ‘2017’ for ‘1992’.”.

17 (b) DEFINITION OF INDIAN COAL.—Subparagraph  
18 (A) of section 45(c)(9) of the Internal Revenue Code of  
19 1986 is amended to read as follows:

20 “(A) IN GENERAL.—The term ‘Indian coal’  
21 means coal which is produced from coal re-  
22 serves which are—

23 “(i) owned or controlled by an Indian  
24 tribe,

1                   “(ii) owned or controlled by an en-  
2                   rolled member of an Indian tribe, or

3                   “(iii) held in trust by the United  
4                   States for the benefit of an Indian tribe or  
5                   its members.”.

6           (c) EFFECTIVE DATE.—The amendments made by  
7 this section shall apply to coal produced and sold after  
8 January 1, 2018.