

Commercial Motor Vehicle Advanced Safety Technology Tax Act of 2009 (Introduced in House)

HR 2024 IH

111th CONGRESS
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To amend the Internal Revenue Code of 1986 to provide a credit against income tax to facilitate the accelerated development and deployment of advanced safety systems for commercial motor vehicles.

IN THE HOUSE OF REPRESENTATIVES

April 22, 2009

Mr. THOMPSON of California (for himself, Mr. DAVIS of Kentucky, Mr. DEFAZIO, Mr. LEVIN, Mr. SHULER, Mr. DREIER, Mr. GONZALEZ, Mr. JONES, Mrs. MYRICK, Mr. PETERS, Mr. ROGERS of Michigan, and Mr. WATT) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to provide a credit against income tax to facilitate the accelerated development and deployment of advanced safety systems for commercial motor vehicles.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the 'Commercial Motor Vehicle Advanced Safety Technology Tax Act of 2009'.

SEC. 2. CREDIT FOR ADVANCED COMMERCIAL VEHICLE SAFETY SYSTEMS.

(a) In General- Subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to business related credits) is amended by adding at the end the following new section:

SEC. 45R. CREDIT FOR COMMERCIAL VEHICLE ADVANCED SAFETY SYSTEMS.

(a) Allowance of Credit- For purposes of section 38, the commercial vehicle advanced safety system credit determined under this section is an amount equal to 50 percent of the cost of any qualified commercial vehicle advanced safety system placed in service by the taxpayer during the taxable year.

(b) Limitations-

(1) PER SYSTEM- The credit allowable under subsection (a) for each qualified commercial vehicle advanced safety system shall not exceed \$1,500.

(2) PER VEHICLE- The credit allowable under subsection (a) with respect to property for each qualified commercial vehicle shall not exceed--

(A) \$3,500, reduced by

(B) the aggregate amount of credit allowed to the taxpayer under this section with respect to such vehicle for all prior taxable years.

(3) PER TAXPAYER- The credit allowable under subsection (a) to the taxpayer for the taxable year shall not exceed \$350,000.

(c) Qualified Commercial Vehicle Advanced Safety System- For purposes of this section, the term 'qualified commercial vehicle advanced safety system' means any property which is part of a system installed on a qualified commercial vehicle if--

(1)(A) such system is a brake stroke monitoring system, lane departure warning system, collision warning system, or vehicle stability system, or

(B) such system is specifically identified by the Administrator of the Federal Motor Carrier Safety Administration or the Administrator of the National Highway Traffic Safety Administration for the purposes of this paragraph as significantly enhancing the safety or security of the driver, vehicle, passengers, or load of a qualified commercial vehicle and such identification is in effect as of the date such system is placed in service by the taxpayer,

(2) such system is certified by the manufacturer of such system (before such vehicle is first used by the taxpayer for its intended purpose after installation of such system)--

(A) to be appropriate for the make, type, and model of the qualified commercial vehicle on which it is to be installed, and

(B) to function as designed if installed properly,

(3) in the case of a system which is not installed by the manufacturer of the qualified commercial vehicle or by an installer authorized by the manufacturer of such system, such system is certified by the installer of such system to be properly

installed and functioning on the vehicle before such vehicle is first used by the taxpayer for its intended purpose after installation of such system,

` (4) the original use of such system begins with the taxpayer, and

` (5) depreciation (or amortization in lieu of depreciation) is allowable with respect to such system.

` (d) Qualified Commercial Vehicle- For purposes of this section--

` (1) IN GENERAL- The term `qualified commercial vehicle' means any highway motor vehicle if--

` (A) such vehicle--

` (i) is to be used to transport persons or property in commerce, and

` (ii) has a gross combination weight rating or a gross vehicle weight rating of 26,001 pounds or more, or

` (iii) the seating capacity of which is at least 15 individuals (not including the driver),

` (B) the seating capacity of such vehicle is at least 11 individuals (not including the driver) and such vehicle is reasonably expected to be used as a school bus (as defined in section 4221(d)(7)(C)), or

` (C) such vehicle is reasonably expected to be used as an intercity or local bus (as defined in section 4221(d)(7)(B)).

` (e) Other Definitions- For purposes of this section--

` (1) BRAKE STROKE MONITORING SYSTEM- The term `brake stroke monitoring system' means any onboard-monitoring system for air-braked vehicles that--

` (A) uses electronic sensors to determine if the brakes are out of adjustment, not operational, or not fully releasing, and

` (B) displays warnings to the driver showing the existence and exact location and nature of the problem.

` (2) LANE DEPARTURE WARNING SYSTEM- The term `lane departure warning system' means any system that alerts a driver (including audio, visual, and tactile warnings) of unintended movement out of the lane of travel or of an object or vehicle in the adjacent lane blind spot.

` (3) COLLISION WARNING SYSTEM- The term `collision warning system' means any system that monitors the roadway in front or to the rear of the vehicle and warns the driver when a potential collision risk exists by providing the driver with an audible, visual, or tactile notification.

` (4) VEHICLE STABILITY SYSTEM- The term `vehicle stability system' means any active safety system that automatically intervenes when there is a high risk of rollover or directional instability. For purposes of the preceding sentence, active

interventions include automatically reducing vehicle speed or by selectively applying appropriate brakes to better align the vehicle to the appropriate path of travel.

ˆ (f) Controlled Groups-

ˆ (1) IN GENERAL- For purposes of this section, all persons treated as a single employer under subsection (a) or (b) of section 52 or subsection (m) or (o) of section 414 shall be treated as a single taxpayer.

ˆ (2) INCLUSION OF FOREIGN CORPORATIONS- For purposes of paragraph (1), in applying subsections (a) and (b) of section 52 to this section, section 1563 shall be applied without regard to subsection (b)(2)(C) thereof.

ˆ (g) Special Rules-

ˆ (1) BASIS REDUCTION- The basis of any property for which a credit is allowable under subsection (a) shall be reduced by the amount of such credit.

ˆ (2) RECAPTURE- The Secretary shall, by regulations, provide for recapturing the benefit of any credit allowable under subsection (a) with respect to any property which ceases to be property eligible for such credit.

ˆ (3) PROPERTY USED OUTSIDE UNITED STATES NOT QUALIFIED- No credit shall be allowed under subsection (a) with respect to any property referred to in section 50(b)(1) or with respect to the portion of the cost of any property taken into account under section 179.

ˆ (4) PROPERTY USED BY TAX-EXEMPT ENTITY- In the case of any qualified commercial vehicle advanced safety system the use of which is described in paragraph (3) or (4) of section 50(b) and which is not subject to a lease--

ˆ (A) the person who sold such property to the person or entity using such property shall be treated as the taxpayer that placed such property in service, but only if such person clearly discloses to such person or entity in a document the amount of any credit allowable under subsection (a) with respect to such property (determined without regard to section 38(c)), and

ˆ (B) paragraphs (2) and (3) of subsection (c) shall not apply to such person with respect to such property.

ˆ (5) ELECTION NOT TO TAKE CREDIT- No credit shall be allowed under subsection (a) for any qualified commercial vehicle advanced safety system if the taxpayer elects to not have this section apply to such system.

ˆ (h) Supporting Documentation- No credit shall be allowed under subsection (a) unless the qualified commercial vehicle owner receives such documentation as the Secretary may require, including--

ˆ (1) at the time of purchase of the qualified advanced commercial vehicle advanced safety system--

ˆ (A) documentation that identifies--

` (i) the type of each such system to be installed on the vehicle, and

` (ii) the purchase date of the vehicle containing such system (or the installation date of such system in the case of installation after the date of the first retail sale of such vehicle), and

` (B) the certification required under subsection (c)(2), and

` (2) in the case of a system for which a certification is required under subsection (c)(3), at the time of the installation of such system, the certification required under subsection (c)(3).

` (i) Termination- This section shall not apply to property placed in service after December 31, 2014.'

(b) Credit To Be Part of General Business Credit- Subsection (b) of section 38 of such Code (relating to general business credit) is amended by striking ` plus' at the end of paragraph (34), by striking the period at the end of paragraph (35) and inserting ` , plus', and by adding at the end the following new paragraph:

` (36) the commercial vehicle advanced safety system credit determined under section 45R(a).'

(c) Conforming Amendments-

(1) Section 1016(a) of such Code is amended by striking ` and' at the end of paragraph (36), by striking the period at the end of paragraph (37) and inserting ` , and', and by adding at the end the following new paragraph:

` (38) to the extent provided in section 45R(g)(1).'

(2) Subsection (m) of section 6501 of such Code is amended by inserting ` 45R(g)(5),' after ` 45H(g).'

(3) The table of sections for subpart D of part IV of subchapter A of chapter 1 of such Code is amended by inserting after the item relating to section 45Q the following new item:

` Sec. 45R. Credit for commercial vehicle advanced safety systems.'

(d) Effective Date- The amendments made by this section shall apply to property placed in service after the date of the enactment of this Act.