

103^D CONGRESS
2^D SESSION

H. R. 3791

To amend the Internal Revenue Code of 1986 to provide an exemption from the gas guzzler tax for automobiles that are lengthened by certain small manufacturers.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 3, 1994

Mr. JEFFERSON 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 an exemption from the gas guzzler tax for automobiles that are lengthened by certain small manufacturers.

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. EXEMPTION FROM GAS GUZZLER TAX FOR**
4 **AUTOMOBILES THAT ARE LENGTHENED BY**
5 **CERTAIN SMALL MANUFACTURERS.**

6 (a) GENERAL RULE.—Paragraph (5) of section
7 4064(b) of the Internal Revenue Code of 1986 (defining
8 manufacturer) is amended by adding at the end the follow-
9 ing new subparagraphs:

1 “(C) EXCEPTION FOR CERTAIN SMALL
2 MANUFACTURERS.—Notwithstanding subpara-
3 graph (B), a person shall not be treated as a
4 manufacturer of any automobile if—

5 “(i) such person would (but for this
6 subparagraph) be so treated solely by rea-
7 son of lengthening an existing automobile,
8 and

9 “(ii) such person is a small manufac-
10 turer (as defined in subparagraph (D)) for
11 the model year in which such lengthening
12 occurs.

13 “(D) SMALL MANUFACTURER DEFINED.—

14 “(i) IN GENERAL.—For purposes of
15 this paragraph, the term ‘small manufac-
16 turer’ means any manufacturer—

17 “(I) who manufactured (whether
18 or not in the United States) fewer
19 than 10,000 automobiles in the sec-
20 ond model year preceding the model
21 year for which the determination
22 under subparagraph (C) is being
23 made, and

24 “(II) who can reasonably be ex-
25 pected to manufacture (whether or

1 not in the United States) fewer than
2 10,000 automobiles in the model year
3 for which the determination under
4 subparagraph (C) is being made.

5 “(ii) SPECIAL RULE.—For purposes of
6 clause (i)—

7 “(I) MANUFACTURER.—The
8 meaning of the term ‘manufacturer’
9 shall be determined without regard to
10 subparagraphs (A) and (C).

11 “(II) CONTROLLED GROUPS.—
12 Person who are members of the same
13 controlled group of corporations shall
14 be treated as one manufacturer. For
15 purposes of the preceding sentence,
16 the term ‘controlled group of corpora-
17 tions’ has the meaning given to such
18 term by section 1563(a); except that
19 ‘more than 50 percent’ shall be sub-
20 stituted for ‘at least 80 percent’ each
21 place it appears in section 1563(a).”

22 (b) EFFECTIVE DATE.—The amendment made by
23 subsection (a) shall take effect on the date of the enact-
24 ment of this Act.

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