

104TH CONGRESS  
2D SESSION

# H. R. 3416

To amend the Internal Revenue Code of 1986 to suspend the tax on ozone-depleting chemicals used as propellants in metered-dose inhalers.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 8, 1996

Mr. ENGLISH of Pennsylvania (for himself, Mr. HOUGHTON, Mr. HERGER, Mrs. KENNELLY, Mr. CRANE, Mr. MCCREERY, Mr. FOX of Pennsylvania, Mr. WILSON, Mr. ROHRABACHER, and Mr. CALVERT) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to suspend the tax on ozone-depleting chemicals used as propellants in metered-dose inhalers.

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. TEMPORARY EXEMPTION FROM TAX ON**  
4 **OZONE-DEPLETING CHEMICALS FOR ME-**  
5 **TERED-DOSE INHALERS.**

6 (a) IN GENERAL.—Paragraph (4) of section 4682(g)  
7 of the Internal Revenue Code of 1986 is amended to read  
8 as follows:

1           “(4) CHEMICALS USED AS PROPELLANTS IN  
2 METERED-DOSE INHALERS.—

3           “(A) RATE OF TAX.—

4           “(i) IN GENERAL.—In the case of—

5           “(I) any use of any substance as  
6 a propellant in any metered-dose in-  
7 haler, or

8           “(II) any qualified sale by the  
9 manufacturer, producer, or importer  
10 of any substance,

11 the tax imposed by section 4681 shall be  
12 equal to \$1.67 per pound.

13           “(ii) TEMPORARY EXEMPTION FROM  
14 TAX.—No tax shall be imposed by section  
15 4681 on any use or sale referred to in  
16 clause (i) after December 31, 1995, and  
17 before January 1, 2001.

18           “(B) QUALIFIED SALE.—For purposes of  
19 subparagraph (A), the term ‘qualified sale’  
20 means any sale by the manufacturer, producer,  
21 or importer of any substance—

22           “(i) for use by the purchaser as pro-  
23 pellants in metered-dose inhalers, or

1           “(ii) for resale by the purchaser to a  
2           2d purchaser for such use by the 2d pur-  
3           chaser.

4           The preceding sentence shall apply only if the  
5           manufacturer, producer, and importer, and the  
6           1st and 2d purchasers (if any) meet such reg-  
7           istration requirements as may be prescribed by  
8           the Secretary.

9           “(C) OVERPAYMENTS.—If any substance  
10          on which tax was paid under this subchapter is  
11          used by any person as a propellant in any me-  
12          tered-dose inhaler, credit or refund without in-  
13          terest shall be allowed to such person in an  
14          amount equal to the excess of—

15                 “(i) the tax paid under this sub-  
16                 chapter on such substance, over

17                 “(ii) the tax (if any) which would be  
18                 imposed by section 4681 if such substance  
19                 were used for such use by the manufac-  
20                 turer, producer, or importer thereof on the  
21                 date of its use by such person.

22          Amounts payable under the preceding sentence  
23          with respect to uses during the taxable year  
24          shall be treated as described in section 34(a)

1           for such year unless claim therefor has been  
2           timely filed under this subparagraph.”

3           (b) **EFFECTIVE DATE.**—The amendment made by  
4 this section shall apply to sales and uses after December  
5 31, 1995.

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