



(Original Signature of Member)

119TH CONGRESS
1ST SESSION

H. R. _____

To amend the Internal Revenue Code of 1986 to repeal green energy tax subsidies.

IN THE HOUSE OF REPRESENTATIVES

Mr. BRECHEEN introduced the following bill; which was referred to the
Committee on _____

A BILL

To amend the Internal Revenue Code of 1986 to repeal
green energy tax subsidies.

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. SHORT TITLE; ETC.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Energy Freedom Act”.

6 (b) AMENDMENT OF 1986 CODE.—Except as other-
7 wise expressly provided, whenever in this Act an amend-
8 ment or repeal is expressed in terms of an amendment
9 to, or repeal of, a section or other provision, the reference

1 shall be considered to be made to a section or other provi-
2 sion of the Internal Revenue Code of 1986.

3 (c) TABLE OF CONTENTS.—The table of contents of
4 this Act is as follows:

- Sec. 1. Short title; etc.
- Sec. 2. Energy efficient home improvement credit repealed.
- Sec. 3. Residential clean energy credit repealed.
- Sec. 4. Previously-owned clean vehicles credit repealed.
- Sec. 5. Alternative fuel vehicle refueling property credit repealed.
- Sec. 6. Clean vehicle credit repealed.
- Sec. 7. Second generation biofuel producer credit.
- Sec. 8. Repeal of incentives for biodiesel, renewable diesel, and alternative fuels.
- Sec. 9. Sustainable aviation fuel credit repealed.
- Sec. 10. Electricity produced from certain renewable resources credit repealed.
- Sec. 11. New energy efficient home credit repealed.
- Sec. 12. Carbon oxide sequestration credit repealed.
- Sec. 13. Zero-emission nuclear power production credit repealed.
- Sec. 14. Clean hydrogen production credit repealed.
- Sec. 15. Qualified commercial clean vehicles credit repealed.
- Sec. 16. Advanced manufacturing production credit repealed.
- Sec. 17. Clean electricity production credit repealed.
- Sec. 18. Clean fuel production credit repealed.
- Sec. 19. Energy credit repealed.
- Sec. 20. Qualifying advanced energy project credit repealed.
- Sec. 21. Clean electricity investment credit repealed.
- Sec. 22. Energy efficient commercial buildings deduction repealed.
- Sec. 23. Repeal on tax on petroleum.
- Sec. 24. Repeal of sections relating to elective payment for energy property and
electricity produced from certain renewable resources; transfer
of credits.

5 **SEC. 2. ENERGY EFFICIENT HOME IMPROVEMENT CREDIT**
6 **REPEALED.**

7 (a) IN GENERAL.—Subpart A of part IV of sub-
8 chapter A of chapter 1 is amended by striking section 25C
9 (and by striking the item relating to such section in the
10 table of sections for such subpart).

11 (b) CONFORMING AMENDMENTS.—

12 (1) Section 1016(a) is amended by striking
13 paragraph (33).

1 (2) Section 6213(g)(2) is amended by striking
2 subparagraphs (R) and (S).

3 (c) EFFECTIVE DATE.—The amendments made by
4 this section shall apply to property placed in service in
5 taxable years beginning after December 31, 2025.

6 **SEC. 3. RESIDENTIAL CLEAN ENERGY CREDIT REPEALED.**

7 (a) IN GENERAL.—Subpart A of part IV of sub-
8 chapter A of chapter 1 is amended by striking section 25D
9 (and by striking the item relating to such section in the
10 table of sections for such subpart).

11 (b) CONFORMING AMENDMENTS.—

12 (1) Section 23(c)(1) is amended by striking
13 “and section 25D”.

14 (2) Section 25(e)(1)(C) is amended by striking
15 “sections 23 and 25D” and inserting “section 23”.

16 (3) Section 1016(a) is amended by striking
17 paragraph (34).

18 (c) EFFECTIVE DATE.—The amendments made by
19 this section shall apply to expenditures paid or incurred
20 in taxable years beginning after December 31, 2025.

21 **SEC. 4. PREVIOUSLY-OWNED CLEAN VEHICLES CREDIT RE-**
22 **PEALED.**

23 (a) IN GENERAL.—Subpart A of part IV of sub-
24 chapter A of chapter 1 is amended by striking section 25E

1 (and by striking the item relating to such section in the
2 table of sections for such subpart).

3 (b) CONFORMING AMENDMENT.—Section 6213(g)(2)
4 is amended by striking subparagraph (U).

5 (c) EFFECTIVE DATE.—The amendments made by
6 this section shall apply to vehicles acquired after Decem-
7 ber 31, 2025.

8 **SEC. 5. ALTERNATIVE FUEL VEHICLE REFUELING PROP-**
9 **ERTY CREDIT REPEALED.**

10 (a) IN GENERAL.—Subpart B of part IV of sub-
11 chapter A of chapter 1 is amended by striking section 30C
12 (and by striking the item relating to such section in the
13 table of sections for such subpart).

14 (b) CONFORMING AMENDMENTS.—

15 (1) Section 38(b) is amended by striking para-
16 graph (25).

17 (2) Section 55(c)(3) is amended by striking
18 “sections 30C(d)(2) and” and inserting “section”.

19 (3) Section 1016(a) is amended by striking
20 paragraph (36).

21 (4) Section 6501(m) is amended by striking
22 “30C(e)(4),”.

23 (5) Section 244(b) of the Energy Independence
24 and Security Act of 2007 (42 U.S.C. 17052(b)) is
25 amended by striking paragraph (6).

1 (c) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to property placed in service after
3 December 31, 2025.

4 **SEC. 6. CLEAN VEHICLE CREDIT REPEALED.**

5 (a) IN GENERAL.—Subpart B of part IV of sub-
6 chapter A of chapter 1 is amended by striking section 30D
7 (and by striking the item relating to such section in the
8 table of sections for such subpart).

9 (b) CONFORMING AMENDMENTS.—

10 (1) Section 166(b)(5)(A)(ii) of title 23, United
11 States Code, is amended by inserting “(as in effect
12 on the day before the enactment of the Energy Free-
13 dom Act)” after “section 30D(d)(1) of the Internal
14 Revenue Code of 1986”.

15 (2) Section 30B(d)(3) is amended by striking
16 subparagraph (D).

17 (3) Section 38(b) is amended by striking para-
18 graph (30).

19 (4) Section 1016(a) is amended by striking
20 paragraph (37).

21 (5) Section 6213(g)(2) is amended by striking
22 subparagraph (T).

23 (6) Section 6501(m) is amended by striking
24 “30D(f)(6),”.

1 (c) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to vehicles placed in service after
3 December 31, 2025.

4 **SEC. 7. SECOND GENERATION BIOFUEL PRODUCER CRED-**
5 **IT.**

6 (a) IN GENERAL.—Section 40 is amended—

7 (1) in subsection (a)—

8 (A) in paragraph (2), by adding “plus” at
9 the end,

10 (B) in paragraph (3), by striking “plus” at
11 the end, and

12 (C) by striking paragraph (4),

13 (2) in subsection (b)—

14 (A) in paragraph (4)(C), by striking “(de-
15 termined without regard to any qualified second
16 generation biofuel production)”, and

17 (B) by striking paragraph (6),

18 (3) in subsection (d)—

19 (A) in paragraph (3)—

20 (i) by striking subparagraph (D), and

21 (ii) in subparagraph (E), by striking
22 “(C), or (D)” and inserting “or (C)”, and

23 (B) by striking paragraph (6), and

24 (4) in subsection (e), by striking paragraph (3).

25 (b) CONFORMING AMENDMENTS.—

1 (1) Section 168(l)(2)(A) is amended by insert-
2 ing “(as in effect on the day before the enactment
3 of the Energy Freedom Act)” after “40(b)(6)(E)”.

4 (2) Section 4101(a)(1) is amended by inserting
5 “(as in effect on the day before the enactment of the
6 Energy Freedom Act)” after “40(b)(6)(E)”.

7 **SEC. 8. REPEAL OF INCENTIVES FOR BIODIESEL, RENEW-**
8 **ABLE DIESEL, AND ALTERNATIVE FUELS.**

9 (a) BIODIESEL AND RENEWABLE DIESEL USED AS
10 FUEL.—

11 (1) IN GENERAL.—Subpart D of part IV of
12 subchapter A of chapter 1 is amended by striking
13 section 40A (and by striking the item relating to
14 such section in the table of sections for such sub-
15 part).

16 (2) CONFORMING AMENDMENTS.—

17 (A) Section 38(b) is amended by striking
18 paragraph (17).

19 (B) Section 87 is amended—

20 (i) in paragraph (1), by adding “and”
21 at the end,

22 (ii) by striking paragraph (2), and

23 (iii) by redesignating paragraph (3) as
24 paragraph (2).

1 (C) Section 196(c) is amended by striking
2 paragraph (11).

3 (D) Section 4101(a)(1) is amended by in-
4 serting “(as in effect on the day before the en-
5 actment of the Energy Freedom Act)” after
6 “section 40A(d)(1)”.

7 (E) Section 4104(a)(1) is amended by
8 striking “34, 40, and 40A,” and inserting “34
9 and 40”.

10 (F) Section 7704(d)(1)(E) is amended by
11 inserting “(as in effect on the day before the
12 enactment of the Energy Freedom Act)” after
13 “section 40A(d)(1)”.

14 (b) CREDIT FOR ALCOHOL FUEL, BIODIESEL, AND
15 ALTERNATIVE FUEL MIXTURES.—

16 (1) IN GENERAL.—Subchapter B of chapter 65
17 is amended by striking section 6426 (and by striking
18 the item relating to such section in the table of sec-
19 tions for such subpart).

20 (2) CONFORMING AMENDMENTS.—

21 (A) Section 40(c) is amended by striking
22 “, section 6426,”.

23 (B) Section 4101(a)(1) is amended by in-
24 serting “(as in effect on the day before the en-

1 actment of the Energy Freedom Act)” after
2 “section 6426(b)(4)(A)”.

3 (C) Section 4104(a)(2) is amended by
4 striking “, 6426,”.

5 (D) Section 7704(d)(1)(E) is amended by
6 striking “any fuel described in subsection (b),
7 (c), (d), or (e) of section 6426, or any alcohol
8 fuel defined in section 6426(b)(4)(A)” and in-
9 serting “any fuel described in subsection (b),
10 (c), (d), or (e) of section 6426 (as in effect on
11 the day before the enactment of the Energy
12 Freedom Act), or any alcohol fuel defined in
13 section 6426(b)(4)(A) (as in effect on the day
14 before the enactment of the Energy Freedom
15 Act)”.

16 (E) Section 9503(b)(1) is amended by
17 striking “taxes received under sections 4041
18 and 4081 shall be determined without reduction
19 for credits under section 6426 and”.

20 (c) BIODIESEL, ALTERNATIVE FUEL, OR SUSTAIN-
21 ABLE AVIATION FUEL.—

22 (1) IN GENERAL.—Section 6427 is amended—

23 (A) by striking subsection (e), and

24 (B) in subsection (i), by striking para-
25 graph (3).

1 (2) CONFORMING AMENDMENTS.—

2 (A) Section 40(c), as amended by sub-
3 section (b), is amended by striking “or section
4 6427(e)”.

5 (B) Section 4104(a)(2), as amended by
6 subsection (b), is amended by striking “or
7 6427(e)”.

8 **SEC. 9. SUSTAINABLE AVIATION FUEL CREDIT REPEALED.**

9 (a) IN GENERAL.—Subpart D of part IV of sub-
10 chapter A of chapter 1 is amended by striking section 40B
11 (and by striking the item relating to such section in the
12 table of sections for such subpart).

13 (b) CONFORMING AMENDMENT.—Section 38(b) is
14 amended by striking paragraph (35).

15 (c) CONFORMING AMENDMENTS.—

16 (1) Section 87, as amended by section 8 of this
17 Act, is amended to read as follows:

18 **“SEC. 87. ALCOHOL CREDIT.**

19 “Gross income includes the amount of the alcohol fuel
20 credit determined with respect to the taxpayer for the tax-
21 able year under section 40(a).”.

22 (2) Section 4101(a)(1) is amended by inserting
23 “(as in effect on the day before the enactment of the
24 Energy Freedom Act)” after “section 40B”.

1 (d) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to fuel sold or used after December
3 31, 2025.

4 **SEC. 10. ELECTRICITY PRODUCED FROM CERTAIN RENEW-**
5 **ABLE RESOURCES CREDIT REPEALED.**

6 (a) IN GENERAL.—Subpart D of part IV of sub-
7 chapter A of chapter 1 is amended by striking section 45
8 (and by striking the item relating to such section in the
9 table of sections for such subpart).

10 (b) CONFORMING AMENDMENTS.—

11 (1) Section 38 is amended—

12 (A) in subsection (b), by striking para-
13 graph (8), and

14 (B) in subsection (c)(4)(B), by striking
15 clauses (iv) and (v).

16 (2) Section 45J is amended—

17 (A) in subsection (c)(2)(A)(i), by inserting
18 “(as in effect on the day before the date of en-
19 actment of the Energy Freedom Act)” after
20 “45(e)(2)(C)”,

21 (B) in subsection (c)(2)(B), by inserting
22 “(as in effect on the day before the date of en-
23 actment of the Energy Freedom Act)” after
24 “45(e)(2)(B)”, and

1 (C) in subsection (f), by inserting “(as in
2 effect on the day before the date of enactment
3 of the Energy Freedom Act)” after “section
4 45(e)”.

5 (3) Section 45K(g)(2) is amended by striking
6 subparagraph (E).

7 (4) Section 55(c)(1) is amended by striking
8 “45(e)(11)(C),”.

9 (5) Section 59A(b)(4) is amended—

10 (A) in subparagraph (A), by adding “
11 and” at the end,

12 (B) by striking subparagraph (B), and

13 (C) by redesignating subparagraph (C) as
14 subparagraph (B).

15 (c) EFFECTIVE DATE.—The amendments made by
16 this section shall apply to electricity produced in taxable
17 years beginning after December 31, 2025.

18 **SEC. 11. NEW ENERGY EFFICIENT HOME CREDIT RE-**
19 **PEALED.**

20 (a) IN GENERAL.—Subpart D of part IV of sub-
21 chapter A of chapter 1 is amended by striking section 45L
22 (and by striking the item relating to such section in the
23 table of sections for such subpart).

24 (b) CONFORMING AMENDMENTS.—

1 (1) Section 38(b) is amended by striking para-
2 graph (23).

3 (2) Section 196(c) is amended by striking para-
4 graph (13).

5 (3) Section 1016(a) is amended by striking
6 paragraph (32).

7 (c) EFFECTIVE DATE.—The amendments made by
8 this section shall apply to homes acquired after December
9 31, 2025.

10 **SEC. 12. CARBON OXIDE SEQUESTRATION CREDIT RE-**
11 **PEALED.**

12 (a) IN GENERAL.—Subpart D of part IV of sub-
13 chapter A of chapter 1 is amended by striking section 45Q
14 (and by striking the item relating to such section in the
15 table of sections for such subpart).

16 (b) CONFORMING AMENDMENTS.—

17 (1) Section 38(b) is amended by striking para-
18 graph (29).

19 (2) Section 142(o)(1)(B) is amended by insert-
20 ing “(as in effect on the day before the enactment
21 of the Energy Freedom Act)” after “section
22 45Q(e)(3)”.

23 (3) Section 969D(e)(4)(B)(ii)(II)(cc) of the En-
24 ergy Policy Act of 2005 (42 U.S.C.
25 16298d(e)(4)(B)(ii)(II)(cc)) is amended by inserting

1 “(as in effect on the day before the date of enact-
2 ment of the Energy Freedom Act)” after “section
3 45Q(f)(5)”.

4 (c) EFFECTIVE DATE.—The amendments made by
5 this section shall apply to facilities or equipment placed
6 in service after December 31, 2025.

7 **SEC. 13. ZERO-EMISSION NUCLEAR POWER PRODUCTION**
8 **CREDIT REPEALED.**

9 (a) IN GENERAL.—Subpart D of part IV of sub-
10 chapter A of chapter 1 is amended by striking section 45U
11 (and by striking the item relating to such section in the
12 table of sections for such subpart).

13 (b) CONFORMING AMENDMENTS.—Section 38(b) is
14 amended by striking paragraph (34).

15 (c) EFFECTIVE DATE.—The amendments made by
16 this section shall apply to electricity produced and sold
17 after December 31, 2025, in taxable years beginning after
18 such date.

19 **SEC. 14. CLEAN HYDROGEN PRODUCTION CREDIT RE-**
20 **PEALED.**

21 (a) CREDIT FOR PRODUCTION OF CLEAN HYDROGEN
22 REPEALED.—

23 (1) IN GENERAL.—Subpart D of part IV of
24 subchapter A of chapter 1 is amended by striking
25 section 45V (and by striking the item relating to

1 such section in the table of sections for such sub-
2 part).

3 (2) CONFORMING AMENDMENT.—Section 38(b)
4 is amended by striking paragraph (36).

5 (3) EFFECTIVE DATE.—The amendments made
6 by this section shall apply to hydrogen produced
7 after December 31, 2025.

8 **SEC. 15. QUALIFIED COMMERCIAL CLEAN VEHICLES CRED-**
9 **IT REPEALED.**

10 (a) IN GENERAL.—Subpart D of part IV of sub-
11 chapter A of chapter 1 is amended by striking section 45W
12 (and by striking the item relating to such section in the
13 table of sections for such subpart).

14 (b) CONFORMING AMENDMENTS.—

15 (1) Section 38(b) is amended by striking para-
16 graph (37).

17 (2) Section 6213(g)(2) is amended by striking
18 subparagraph (V).

19 (c) EFFECTIVE DATE.—The amendments made by
20 this section shall apply to vehicles acquired after Decem-
21 ber 31, 2025.

22 **SEC. 16. ADVANCED MANUFACTURING PRODUCTION CRED-**
23 **IT REPEALED.**

24 (a) IN GENERAL.—Subpart D of part IV of sub-
25 chapter A of chapter 1 is amended by striking section 45X

1 (and by striking the item relating to such section in the
2 table of sections for such subpart).

3 (b) CONFORMING AMENDMENT.—Section 38(b) is
4 amended by striking paragraph (38).

5 (c) EFFECTIVE DATE.—The amendments made by
6 this section shall apply to components produced and sold
7 after December 31, 2025.

8 **SEC. 17. CLEAN ELECTRICITY PRODUCTION CREDIT RE-**
9 **PEALED.**

10 (a) IN GENERAL.—Subpart D of part IV of sub-
11 chapter A of chapter 1 is amended by striking section 45Y
12 (and by striking the item relating to such section in the
13 table of sections for such subpart).

14 (b) CONFORMING AMENDMENTS.—

15 (1) Section 38(b), as amended by Public Law
16 117-169, is amended by striking paragraph (39).

17 (2) Section 168(e)(3)(B)(viii), as added by Pub-
18 lic Law 117-169, is amended by striking “any quali-
19 fied facility (as defined in section 45Y(b)(1)(A)),”.

20 (c) EFFECTIVE DATE.—The amendments made by
21 this section shall apply to facilities placed in service after
22 December 31, 2025.

23 **SEC. 18. CLEAN FUEL PRODUCTION CREDIT REPEALED.**

24 (a) IN GENERAL.—Subpart D of part IV of sub-
25 chapter A of chapter 1 is amended by striking section 45Z

1 (and by striking the item relating to such section in the
2 table of sections for such subpart).

3 (b) CONFORMING AMENDMENTS.—

4 (1) Section 38(b), as amended by Public Law
5 117–169, is amended by striking paragraph (40).

6 (2) Section 4101(a)(1), as amended by Public
7 Law 117–169, is amended by striking “every person
8 producing a fuel eligible for the clean fuel production
9 credit (pursuant to section 45Z),”.

10 (c) EFFECTIVE DATE.—The amendments made by
11 this section shall apply to transportation fuel produced
12 after December 31, 2025.

13 **SEC. 19. ENERGY CREDIT REPEALED.**

14 (a) IN GENERAL.—Subpart E of part IV of sub-
15 chapter A of chapter 1 is amended by striking section 48
16 (and by striking the item relating to such section in the
17 table of sections for such subpart).

18 (b) CONFORMING AMENDMENTS.—

19 (1) Section 38(c)(4)(B) is amended by striking
20 clause (x).

21 (2) Section 45K(b)(3)(A)(i)(III) is amended by
22 inserting “(as in effect on the day before the date
23 of enactment of the Energy Freedom Act)” after
24 “section 48(a)(4)(C)”.

1 (3) Section 46 is amended by striking para-
2 graph (2).

3 (4) Section 48A(b)(2) is amended by inserting
4 “as in effect on the day before the enactment of the
5 Energy Freedom Act and” before “without regard”.

6 (5) Section 48B(b)(2) is amended by inserting
7 “as in effect on the day before the enactment of the
8 Energy Freedom Act and” before “without regard”.

9 (6) Section 50 is amended—

10 (A) in subsection (a)(2)(E), by striking
11 “48(b)”, and

12 (B) in subsection (d)(2), by striking “At
13 the election” and all that follows through the
14 period.

15 (7) Section 59A(b)(4) is amended—

16 (A) in subparagraph (A), by adding “and”
17 at the end,

18 (B) in subparagraph (B), by striking “,
19 and” and inserting a period at the end, and

20 (C) by striking subparagraph (C).

21 (8) Section 168(e)(3)(B)(vi)(I) is amended by
22 inserting “(as in effect on the day before the enact-
23 ment of the Energy Freedom Act)” after “section
24 48(a)(3)”.

25 (9) Section 7701(e) is amended—

1 (A) in paragraph (3)—
2 (i) in subparagraph (A)(i)—
3 (I) in subclause (II), by adding
4 “or” at the end,
5 (II) in subclause (III), by strik-
6 ing “or” and inserting “and”, and
7 (III) by striking subclause (IV),
8 and
9 (ii) by striking subparagraph (F), and
10 (B) by striking “water treatment works fa-
11 cility, or storage facility” and inserting “or
12 water treatment works facility”.

13 (c) EFFECTIVE DATE.—The amendments made by
14 this section shall apply to property placed in service in
15 taxable years beginning after December 31, 2025.

16 **SEC. 20. QUALIFYING ADVANCED ENERGY PROJECT CRED-**
17 **IT REPEALED.**

18 (a) IN GENERAL.—Subpart E of part IV of sub-
19 chapter A of chapter 1 is amended by striking section 48C
20 (and by striking the item relating to such section in the
21 table of sections for such subpart).

22 (b) CONFORMING AMENDMENTS.—

23 (1) Section 46 is amended by striking para-
24 graph (5).

1 (2) Section 49(a)(1)(C) is amended by striking
2 clause (v).

3 (3) Section 50(a)(2)(E) is amended by striking
4 “48C(b)(2),”.

5 (c) EFFECTIVE DATE.—The amendments made by
6 this section shall take effect on January 1, 2026.

7 **SEC. 21. CLEAN ELECTRICITY INVESTMENT CREDIT RE-**
8 **PEALED.**

9 (a) IN GENERAL.—Subpart E of part IV of sub-
10 chapter A of chapter 1 is amended by striking section 48E
11 (and by striking the item relating to such section in the
12 table of sections for such subpart).

13 (b) CONFORMING AMENDMENTS.—

14 (1) Section 46, as amended by Public Law
15 117–169 and section 20 of this Act, is amended—

16 (A) in paragraph (4), by adding “and” at
17 the end,

18 (B) in paragraph (6), by striking “, and”
19 and inserting a period, and

20 (C) by striking paragraph (7).

21 (2) Section 49(a)(1)(C), as amended by Public
22 Law 117–169, is amended—

23 (A) by adding “and” at the end of clause
24 (iv),

1 (B) by striking the comma at the end of
2 clause (vi) and inserting a period, and

3 (C) by striking clauses (vii) and (viii).

4 (3) Section 50(a)(2)(E), as amended by Public
5 Law 117–169, is amended by striking “48D(b)(5),
6 or 48E(e)” and inserting “or 48D(b)(5)”.

7 (4) Section 50(c)(3), as amended by Public
8 Law 117–169, is amended by striking “or clean elec-
9 tricity investment credit”.

10 (5) Section 168(e)(3)(B), as amended by Public
11 Law 117-169 and section 17 of this Act, is amended
12 by striking clause (viii).

13 (c) EFFECTIVE DATE.—The amendments made by
14 this section shall apply to facilities and property placed
15 in service after December 31, 2025.

16 **SEC. 22. ENERGY EFFICIENT COMMERCIAL BUILDINGS DE-**
17 **DUCTION REPEALED.**

18 (a) IN GENERAL.—Part VI of subchapter B of chap-
19 ter 1 is amended by striking section 179D (and by striking
20 the item relating to such section in the table of sections
21 for such part).

22 (b) CONFORMING AMENDMENTS.—

23 (1) Section 263(a)(1) is amended by striking
24 subparagraph (J).

1 (2) Section 312(k)(3)(B) is amended to read as
2 follows:

3 “(B) TREATMENT OF AMOUNTS DEDUCT-
4 IBLE UNDER SECTION 179, 179B, 179C, OR
5 179E.—For purposes of computing the earnings
6 and profits of a corporation, any amount de-
7 ductible under section 179, 179B, 179C, or
8 179E shall be allowed as a deduction ratably
9 over the period of 5 taxable years (beginning
10 with the taxable year for which such amount is
11 deductible under section 179, 179B, 179C, or
12 179E, as the case may be).”.

13 (3) Section 1016(a) is amended by striking
14 paragraph (31).

15 (4) Section 1245(a) is amended—

16 (A) in paragraph (2)(C), by striking
17 “179D,” and

18 (B) in paragraph (3)(C), by striking
19 “179D.”.

20 (c) EFFECTIVE DATE.—The amendments made by
21 this section shall apply to property placed in service after
22 December 31, 2025.

23 **SEC. 23. REPEAL ON TAX ON PETROLEUM.**

24 (a) IN GENERAL.—Chapter 38 is amended by strik-
25 ing subchapter A (and by striking the item relating to

1 such subchapter in the table of subchapters for such chap-
2 ter).

3 (b) CONFORMING AMENDMENTS.—

4 (1) Section 4671(c) is amended to read as fol-
5 lows:

6 “(c) EXEMPTIONS FOR SUBSTANCES TAXED UNDER
7 SECTION 4661.—No tax shall be imposed by this section
8 on the sale or use of any substance if tax is imposed on
9 such sale or use under section 4661.”.

10 (2) Section 9507(b) is amended—

11 (A) in paragraph (1), by striking “4611,
12 4661,” and inserting “4661”, and

13 (B) by striking the flush matter at the
14 end.

15 (3) Section 9509(b) is amended by striking
16 paragraph (1).

17 (4) Section 198(d)(1)(C) is amended by insert-
18 ing “(as in effect on the day before the enactment
19 of the Energy Freedom Act)” after “section
20 4612(a)(3)”.

21 (5) Section 4132(a)(3) is amended by inserting
22 “(as in effect on the day before the enactment of the
23 Energy Freedom Act)” after “section 4612(a)(4)”.

1 (6) Section 4662(a)(2) is amended by inserting
2 “(as in effect on the day before the enactment of the
3 Energy Freedom Act)” after “section 4612(a)(4)”.

4 (7) Section 4682(e)(2) is amended by inserting
5 “(as in effect on the day before the enactment of the
6 Energy Freedom Act)” after “section 4612(a)(4)”.

7 (8) Section 5000D(e)(2) is amended by insert-
8 ing “(as in effect on the day before the enactment
9 of the Energy Freedom Act)” after “section
10 4612(a)(4)”.

11 (c) EFFECTIVE DATE.—The amendments made by
12 this section shall take effect on January 1, 2026.

13 **SEC. 24. REPEAL OF SECTIONS RELATING TO ELECTIVE**
14 **PAYMENT FOR ENERGY PROPERTY AND**
15 **ELECTRICITY PRODUCED FROM CERTAIN RE-**
16 **NEWABLE RESOURCES; TRANSFER OF CRED-**
17 **ITS.**

18 (a) IN GENERAL.—Subchapter B of chapter 65 is
19 amended by striking sections 6417 and 6418 (and by
20 striking the items relating to such sections in the table
21 of sections for such subchapter).

22 (b) CONFORMING AMENDMENTS.—

23 (1) Section 39(a) is amended by striking para-
24 graph (4).

1 (2) Section 50(d) is amended by striking “In
2 the case of a real estate investment trust making an
3 election under section 6418, paragraphs (1)(B) and
4 (2)(B) of the section 46(e) referred to in paragraph
5 (1) of this subsection shall not apply to any invest-
6 ment credit property of such real estate investment
7 trust to which such election applies”.

8 (3) Section 56A(c)(9) is amended by striking
9 “or 6417”.

10 (4) Section 13801 of Public Law 117–169 is
11 amended by striking subsection (f).

12 (c) EFFECTIVE DATE.—The amendments made by
13 this section shall apply to taxable years beginning after
14 December 31, 2025.