CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

June 16, 2017

H.R. 1551
A bill to amend the Internal Revenue Code of 1986 to modify the credit for production from advanced nuclear power facilities

As ordered reported by the House Committee on Ways and Means on June 15, 2017

H.R. 1551 would modify the tax credit for electricity production from advanced nuclear power facilities. Under current law, taxpayers producing electricity at advanced nuclear facilities approved after 1993 and placed into service before January 1, 2021, can receive a tax credit for an eight-year period that is based on the amount of electricity they produce, subject to certain facility-specific and nationwide limits on electricity capacity. The bill would allow entities that have reached their facility-specific limits, and have additional capacity above those limits, to receive an allocation from the unused nationwide limitation amount, thus allowing them to receive additional tax credits. The nationwide limits on qualifying electricity production would not change. The bill would also allow the additional allocation to apply to advanced facilities placed into service after December 31, 2020. Finally, H.R. 1551 would allow certain non-profit or governmental entities to transfer a portion or all of their credits to taxable project partners. The treatment of unutilized limitation amounts would be effective upon date of enactment, and the allowed credit transfers would be effective for tax years beginning after the date of enactment.

The staff of the Joint Committee on Taxation (JCT) estimates that the legislation would reduce revenues by about $16 million over the 2017-2027 period.

The Statutory Pay-As-You Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting revenues and direct spending. The net changes in revenues that are subject to those pay-as-you-go procedures are shown in the following table. Enacting the bill would not affect direct spending.

CBO Estimate of Pay-As-You-Go Effects for H.R. 1551, as ordered reported by the House Committee on Ways and Means on June 15, 2017.

	By Fiscal Year, in Millions of Dollars												
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2017-2022	2017-2027
NET INCREASE IN THE DEFICIT													
Statutory Pay-As-You-Go Effects	0	0	0	1	2	2	2	2	2	2	2	5	16

Source: Staff of the Joint Committee on Taxation.

Note: Components may not add to totals due to rounding.

JCT and CBO estimate that enacting the bill would not increase net direct spending in any of the four consecutive 10-year periods beginning in 2028 and would increase on-budget deficits by several million dollars in at least one of those periods.

JCT has determined that the bill contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act.

The CBO staff contact for this estimate is Peter Huether. The estimate was approved by John McClelland, Assistant Director for Tax Analysis.