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(Original Signature of Member)

119TH CONGRESS
2D SESSION

H. R. _____

To amend the Internal Revenue Code of 1986 to provide a tax holiday
for motor and aviation fuels.

IN THE HOUSE OF REPRESENTATIVES

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

A BILL

To amend the Internal Revenue Code of 1986 to provide
a tax holiday for motor and aviation fuels.

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.**

4 This Act may be cited as the “Consumer Fuel Costs
5 Relief Act”.

6 **SEC. 2. TAX HOLIDAY FOR MOTOR AND AVIATION FUELS.**

7 (a) IN GENERAL.—In the case of taxable fuel re-
8 moved, entered, or sold on or after the date of the enact-
9 ment of this Act and before October 1, 2027—

1 (1) the rates of tax under section 4081(a)(2)(A)
2 of the Internal Revenue Code of 1986 shall be zero,
3 and

4 (2) the Leaking Underground Storage Tank
5 Trust Fund financing rate under section
6 4081(a)(2)(B) of such Code shall not apply to tax-
7 able fuel to which the rate under paragraph (1) ap-
8 plies.

9 (b) TRANSFERS TO TRUST FUND.—

10 (1) IN GENERAL.—The Secretary of the Treas-
11 ury shall transfer from the general fund to the
12 Highway Trust Fund established under section
13 9503(a) of the Internal Revenue Code of 1986 and
14 the Leaking Underground Storage Tank Trust Fund
15 established under section 9508(a) of such Code
16 amounts equal to the reduction in amounts credited
17 (but for this subsection) to each such Trust Fund by
18 reason of subsection (a).

19 (2) COORDINATION RULES.—

20 (A) LEAKING UNDERGROUND STORAGE
21 TANK TRUST FUND.—Amounts transferred to
22 the Leaking Underground Storage Tank Trust
23 Fund under paragraph (1) shall be treated for
24 purposes of sections 9503(b)(1) and 9508(b)(2)
25 of such Code as taxes received in the Treasury

1 under section 4081 of such Code attributable to
2 the Leaking Underground Storage Tank Trust
3 Fund financing rate.

4 (B) HIGHWAY TRUST FUND.—Amounts
5 transferred to the Highway Trust Fund under
6 paragraph (1) shall be treated for purposes of
7 section 9503(b)(1) of such Code as taxes re-
8 ceived in the Treasury under section 4081 of
9 such Code which are not attributable to the
10 Leaking Underground Storage Tank Trust
11 Fund financing rate.

12 (c) BENEFITS OF TAX REDUCTION SHOULD BE
13 PASSED ON TO CONSUMERS.—

14 (1) It is the policy of Congress that—

15 (A) consumers immediately receive the
16 benefit of the reduction in taxes resulting from
17 the application of subsection (a),

18 (B) transportation motor fuels producers
19 and other dealers take such actions as nec-
20 essary to reduce transportation motor fuels
21 prices to reflect such reduction,

22 (C) aviation gasoline producers, airline
23 service providers, and other dealers take such
24 actions as necessary to ensure passengers im-
25 mediately receive the benefit of the reduction in

1 taxes resulting from the application of sub-
2 section (a), and

3 (D) transportation motor fuels producers,
4 airline service providers, and other dealers that
5 fail to reduce prices for consumers to reflect
6 such reduction shall be subject to monetary
7 penalties which are not less than the amount of
8 the reduction in taxes which should have been
9 passed on to consumers.

10 (2) ENFORCEMENT.—

11 (A) TREASURY.—The Secretary of the
12 Treasury shall use all applicable authorities to
13 ensure that the benefit of the reduction in taxes
14 resulting from the application of subsection (a)
15 is received by consumers.

16 (B) FTC AND CFTC.—The Federal Trade
17 Commission and the Commodity Futures Trad-
18 ing Commission shall use all applicable authori-
19 ties to monitor oil, diesel, and gasoline markets
20 to prevent price gouging and market manipula-
21 tion in such markets.

22 (d) TAXABLE FUEL.—For purposes of this section,
23 the term “taxable fuel” has the same meaning given such
24 term under section 4083(a)(1) of the Internal Revenue
25 Code of 1986.